



ARIZONA MUNICIPAL RISK RETENTION POOL COMMON COVERAGES

DECLARATIONS

Agreement # 2000169-1
Replaces Agreement # AM40172016

THIS DECLARATIONS PAGE AND THE ATTACHED APPLICATION FOR INSURANCE COMPLETE THIS COVERAGE.

Item 1. NAMED MEMBER AND MAILING ADDRESS:

San Luis, City Of
PO Box 1170
San Luis, AZ 85349

Item 2. CONTINUOUS COVERAGE PERIOD EFFECTIVE:

12:01 A.M. Standard Time at Mailing Address
on Common Coverage Declarations

Rating Period From: 07/01/2017 To: 07/01/2018

Item 3. THE COVERED MEMBER IS: Municipality

Item 4. SCHEDULE OF COVERAGES:

IN RETURN FOR THE PAYMENT OF MEMBERSHIP FEES, THE POOL AGREES TO PROVIDE THE MEMBER WITH THE FOLLOWING COVERAGES FOR WHICH A MEMBERSHIP FEE IS SHOWN, SUBJECT TO ALL THE TERMS AND CONDITIONS OF THE POOL'S MEMBERSHIP AGREEMENT AND THE APPLICABLE COVERAGE AGREEMENTS AND ENDORSEMENTS:

| <u>Coverages</u> | <u>Membership Fee</u> |
|-------------------------------|-----------------------|
| MUNICIPAL PROPERTY | \$ 38,734 |
| MUNICIPAL INLAND MARINE | \$ 6,730 |
| MUNICIPAL EQUIPMENT BREAKDOWN | \$ 10,134 |
| MUNICIPAL LIABILITY | \$ 249,796 |
| AUTOMOBILE LIABILITY | \$ 52,457 |
| AUTOMOBILE PHYSICAL DAMAGE | \$ 44,929 |
| MUNICIPAL CRIME | \$ 6,349 |
| TOTAL | \$ 409,629 |

Item 5. MEMBERSHIP FEE IS DUE AND PAYABLE:

QUARTERLY

Item 6. COVERAGE AGREEMENTS AND ENDORSEMENTS APPLICABLE TO ALL COVERAGES:
AZCOMCON (07/16)



ARIZONA MUNICIPAL RISK RETENTION POOL COMMON CONDITIONS

THE FOLLOWING CONDITIONS AND DEFINITIONS APPLY TO ALL POOL COVERAGES INCLUDING ALL PROPERTY AND LIABILITY COVERAGES, IN ADDITION TO ANY OTHER CONDITIONS APPLICABLE TO ANY PARTICULAR COVERAGE AGREEMENT OR FORM INCLUDING THE TERMS AND CONDITIONS OF THE POOL'S MEMBERSHIP AGREEMENT.

A. CANCELLATION AND NONRENEWAL

1. The "Named Member" may cancel coverage issued by the Pool, and by mailing or delivering to the Pool advance written notice of cancellation pursuant to the terms of the "Agreement".
2. The Pool may cancel coverage by mailing or delivering to the "Named Member" advance written notice of cancellation pursuant to the terms of the "Agreement".
3. The Pool will mail or deliver its notice to the "Named Member" at the last mailing address known to the Pool.
4. Notice of cancellation will state the effective date of cancellation. The coverage period will end on that date.
5. If the Pool decides to non-renew coverage, the Pool will mail or deliver to the "Named Member" shown in the Declarations written notice of the nonrenewal pursuant to the terms of the "Agreement".
6. If notice is mailed, proof of mailing will be sufficient proof of notice.

B. MEMBERSHIP FEES

The "Named Member" is responsible for the payment of all membership fees as defined in the "Agreement" and as shown in the Common Coverage Declarations, and will be the payee for any return membership fees.

C. ASSESSMENTS

With respect to any deficiency in the Pool for which any assessment must be made, the terms and conditions of the "Agreement" shall apply.

D. CHANGES

The coverage agreements and forms contain all of the agreements between the Pool and all "members".

The "Named Members" are authorized to make changes in the terms of a coverage agreement with the consent of the Pool. The coverage terms can be amended or waived only by endorsement issued by the Pool and made a part of the coverage agreement, or by an acknowledgment by the Pool that an endorsement will be issued at a later date.

When the AMRRP Board of Trustees broadens coverage during a coverage period without charge, all "members" coverage will automatically provide such broadened coverage upon the date determined by the Board of Trustees. Other AMRRP Board of Trustee coverage changes will become effective upon the later to occur; the next coverage period's inception or ninety days after adoption and notice to the "Named Member". The Administrator may issue coverage endorsements evidencing changes during a coverage period or at the next coverage period's inception.

E. INSPECTIONS AND SURVEYS

The Pool has the right, but is not obligated to:

1. Make inspections and surveys at any time;
2. Give the "Named Member" reports on the conditions it finds; and
3. Recommend changes.

Any reports or recommendations relate only to coverage and membership fees to be charged. The Pool does not make any safety inspections. The Pool does not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. The Pool does not warrant that conditions are safe or healthful, or that conditions comply with laws, regulations, codes, or standards.

F. ARBITRATION PROCEDURE FOR COVERAGE DISPUTES

Coverage determinations for first party claims and liability claims are initially made by the Claims Administrator on behalf of the AMRRP. When a "member" disagrees with the coverage decision, the following resolution process which shall be the sole resolution process for coverage disputes and allegations of bad faith either against the Pool, Board, or Administrator shall be utilized.

1. The "member" shall notify the Administrator in writing that they disagree with the decision and provide information to support their interpretation of coverage. The Administrator shall re-examine the coverage decision and evaluate the information provided by the "member." The written decision shall be sent to the "member."
2. If the "member" still disagrees with the coverage decision, they shall notify the Administrator that they wish to have the Board of Trustees review the decision de novo and render a coverage determination. The Board shall meet with the "member" and review the case. The Board shall render a decision on coverage.
3. If there is still disagreement, either the "member" or the Board may request the arbitration process be utilized.
4. In an effort to reduce friction and facilitate resolution an Arbitrator shall be appointed in one of the following ways at the option of the "member."
 - a. By mutual agreement of the "member" and the Board from a list of arbitrators prepared by the Administrator.
 - b. If no arbitrator is satisfactory to both parties, each may submit five names of acceptable arbitrators. If the same name appears on both lists, that person shall act as the Arbitrator.
 - c. A three arbitrator panel may be selected. The "member" shall select one, the Administrator one and the two selected arbitrators shall select a third.
 - d. If there can be no agreement under provisions 1, 2, or 3, the arbitrator shall be selected by the Arizona Arbitration Association.
5. The Arbitrator shall reach his/her decision upon review of the documents submitted by each party, or upon request of the "member," hold a hearing on the coverage determination within 30 days of the appointment of the Arbitrator. Procedure for the arbitration shall be informal, but both parties must cooperate to provide information or witnesses requested by the Arbitrator. If a hearing is held, both parties may be represented by counsel. Each party shall bear its own costs for counsel. A written decision must be made within 10 days of the hearing when one is held, or receipt of the documents if a decision is to be made on the record. The written decision shall be sent to the "member," Board and Administrator. The Administrator shall proceed with the claim in conformance with the coverage decision.

- a. The decision of the Arbitrator is final, non-appealable and binding on the "member" and Pool.
- b. The parties shall share equally in the expense of the Arbitration.

G. DEDUCTIBLES

The terms of the coverage agreements, including those with respect to (a) the Pool's rights and duties with respect to the defense of suits and (b) any member's duties, in the event of an occurrence, loss, accident, claim or suit apply irrespective of the application of the deductible amount.

The Pool may pay any part or all of the deductible amount to effect settlement of any claim or suit and, upon notification of the action taken, the "Named Member" shall promptly reimburse the Pool for such part of the deductible amount as has been paid by the Pool.

H. TRANSFER OF RIGHTS AND DUTIES UNDER THIS COVERAGE

If any "member" to or for whom the Pool makes payment under a coverage agreement has rights to recover damages from another, those rights are transferred to the Pool and the Pool shall have the right to recover from same. That "member" must do everything necessary to secure the Pool's rights and must do nothing to impair them.

Any other rights and duties under a coverage agreement may not be transferred without the written consent of the Pool.

I. CONCEALMENT OR FRAUD

A coverage agreement is void if any "member" has intentionally concealed or misrepresented any material fact or circumstance relating to that coverage agreement.

These conditions apply not only to the Pool, but also to any rating advisory, rate service, or similar organization which makes inspections, surveys, reports, or recommendations.

J. OTHER COVERAGE

All coverage under any Coverage Agreement issued by the Pool is excess over any other valid and collectible insurance policy or other coverage whether primary, excess, contingent, or any other basis, except other coverage written specifically to be excess over coverage under a Pool Coverage Agreement.

K. EXAMINATION OF BOOKS AND RECORDS

The Pool may examine and audit any "member's" books and records as they relate to coverage under Appendix A at any time during the coverage period and up to 5 years afterward, and make any adjustments in the membership fee when indicated.

L. SEPARATION OF MEMBERS

With respect to the information contained in the application for this coverage, subject to all the other terms and conditions provided herein, this coverage shall be construed as a separate agreement with each "member." Nothing in this paragraph shall be construed to increase the Pool's maximum limit of coverage set forth in the Declarations.

M. OVERLAP OF COVERAGE

In the event of a dispute between the Pool and one or more insurers as to which policy or coverage agreement applies to a covered loss under a first party policy, the Pool shall indemnify the "member" for any legal or other expenses which are necessarily incurred by the "member" in determining whether the Pool or the insurer(s) shall bear the loss. Indemnification shall be made only if it is determined that payment of the loss shall be made under any first party coverage issued by the Pool to the Member. If the loss is shared by the Pool and one or

more insurers, indemnification shall be made in the same proportion as the loss payment. The "member" and the Pool shall cooperate in the development and execution of reasonable procedures to resolve the dispute.

N. NUCLEAR HAZARD

With respect to any coverage, the Pool does not intend to cover and will not pay any loss or claim for damages that is caused in part or in total by nuclear reaction or radiation, or radioactive contamination, however caused.

O. DEFINITIONS

"Agreement" refers to the current Arizona Municipal Risk Retention Pool Membership Agreement and any of its amendments.

"Member" is any one individual or entity who qualifies as a member under each specific coverage agreement.

"Named Member" is the city, town or other governmental body or entity identified as the "Named Member" in each Declaration. "You" also means the "Named Member".

"Property and Liability Coverage Agreement" means all coverage agreements and forms which define the terms and conditions of coverage for which a premium was paid.

"We" or "Us" mean the Arizona Municipal Risk Retention Pool.

Refer to the coverage agreements and forms for definitions of other words with special meanings used in this Common Conditions part.



Agreement # 2000169-1
Replaces Agreement # AM40172016

THIS DECLARATIONS PAGE AND THE ATTACHED MUNICIPAL LIABILITY COVERAGE AGREEMENT COMPLETE THIS COVERAGE PART.

IN RETURN FOR THE PAYMENT OF MEMBERSHIP FEES, THE POOL AGREES TO PROVIDE THE MEMBER WITH THE FOLLOWING COVERAGES FOR WHICH A MEMBERSHIP FEE IS SHOWN, SUBJECT TO ALL THE TERMS AND CONDITIONS OF THE POOL'S INTERGOVERNMENTAL AGREEMENT AND THE APPLICABLE COVERAGE AGREEMENTS AND ENDORSEMENTS:

Item 1. "Named Member" and Principal Address:

San Luis, City Of
PO Box 1170
San Luis, AZ 85349

Item 2. This Policy takes effect at 12:01 A.M., 07/01/2017, and expires at 12:01 A.M., 07/01/2018.

These effective and expiration times are based upon the local times at the principal address of the "Named Member" stated in Item 1 above.

Item 3.

SCHEDULE

| Description | | Limit of Liability |
|--|--------------|-------------------------------|
| General Aggregate | \$ 6,000,000 | |
| Products-Completed Operations | \$ 2,000,000 | Aggregate |
| General Liability | \$ 2,000,000 | Each Claim-Occurrence/Offense |
| Municipal Management Practices Liability | \$ 2,000,000 | Each Claim Wrongful Act |
| Medical Payments | \$ 25,000 | Each "Occurrence" |
| | \$ 5,000 | Each Person |
| Back Wages | \$ 50,000 | Aggregate |
| | \$ 25,000 | Each Claim |
| Fire Damages | \$ 300,000 | Any One Premises |
| Land Use Liability | \$ 1,000,000 | Aggregate |
| | \$ 1,000,000 | Each Claim |
| Organic Pathogens | \$ 100,000 | Aggregate |
| | \$ 25,000 | Each Claim |
| Pollution Liability | \$ 100,000 | Each Event |
| | \$ 25,000 | Each Claimant |
| Data Security Breach | \$ 1,000,000 | Aggregate |
| | \$ 1,000,000 | Each Claim |

[NOTE: Other limits may be found in the Additional Coverages Section.]

Item 4. Deductibles

| | |
|-------------------------------|----------|
| Aggregate Deductible | \$ Nil |
| Each Claim-Wrongful Act | \$ 5,000 |
| Each Claim-Occurrence/Offense | \$ 5,000 |

Item 5. Endorsements:

| | | | |
|---------------|---------------|----------------|----------------|
| AZMLS (07/16) | AZMLC (05/17) | AZMLE1 (07/16) | AZMLE5 (07/16) |
|---------------|---------------|----------------|----------------|

Item 6. "Retroactive Date": 08/01/1986



**ARIZONA MUNICIPAL RISK RETENTION POOL
MUNICIPAL LIABILITY COVERAGE AGREEMENT
LIABILITY SCHEDULE**

Coverage Agreement Number: 2000169-1
 Member: San Luis, City Of
 Rating Period From: 07/01/2017 12:01 AM at the Mailing Address on the Common Declarations
 To: 07/01/2018

SCHEDULE OF OPERATIONS

| <u>Description Of Operation</u> | <u>Exposure Basis</u> | <u>Estimated Exposure</u> |
|---------------------------------|-------------------------------|---------------------------|
| Premises/Operations: | | |
| Operating Expenditures | Expenditures | 11,661,765 |
| Waterworks (Payroll) | Payroll | 411,770 |
| Streets | Miles | 39 |
| Rec Centers | Square Feet | 7,672 |
| Skateboard Parks | Each | 2 |
| Swimming Pool | Each | 1 |
| E&O | Expenditures | 46,030,305 |
| Employment Benefits Liability | Number of Full-Time Employees | 221 |
| Attorney | Staff Attorneys | 1 |
| Independent Contractors: | | |
| Independent Contractors | Payroll | 3,000,000 |
| Products/Completed Operations: | | |
| Waterworks (Gallons) | Gallons | 10,230,000,000 |

The Municipal Liability membership fee includes charges for all Operations with Estimated Exposures.

Explanation of Exposure Basis:

"Expenditures" means total expenditures used to operate the municipality, excluding:

- . Capital purchases where the individual project or item exceeds 5% of the Member's total operation expenditures;
- . Expenditures for independent contractors providing certificates of insurance with adequate limits;
- . Welfare benefits; and
- . Expenditures for exposures that are separately rated.

"Payroll" means the entire remuneration (including overtime) earned during the "rating period" by the employees in this department

"Miles" means the total linear miles of paved and unpaved streets within the Member's territorial limits, not including toll roads or bridges, which are owned by the Member.

"Area" means area in square feet.

"Each" means per unit.

"Receipts" means the gross amount of money (including taxes) charged by the Member for this operation. This does not include taxes which are collected separately and remitted directly to this or any other governmental entity.

"Cost" means the total cost of operations performed by independent contractors for the Member during the "rating period", including the cost of labor, materials and equipment furnished, and all fees or commission made, whether paid or due.

"Gallons" means annual usage of water, in gallons.



ARIZONA MUNICIPAL RISK RETENTION POOL MUNICIPAL LIABILITY COVERAGE AGREEMENT

NOTICE

THIS COVERAGE AGREEMENT IS ISSUED BY ARIZONA MUNICIPAL RISK RETENTION POOL ("POOL"). THIS AGREEMENT PROVIDES COVERAGE ON A CLAIMS MADE AND REPORTED BASIS. EACH OF THE COVERAGE AGREEMENTS INCLUDES SPECIAL REQUIREMENTS FOR PROVIDING WRITTEN NOTICE TO THE POOL. THIS COVERAGE AGREEMENT PROVIDES GENERAL LIABILITY AND MUNICIPAL MANAGEMENT PRACTICES LIABILITY COVERAGE ONLY FOR DAMAGES AWARDED AGAINST A MEMBER AS A RESULT OF A CLAIM FIRST MADE AGAINST A MEMBER AND REPORTED TO THE POOL IN WRITING DURING THE RATING PERIOD OR AN EXTENDED REPORTING PERIOD.

PLEASE READ THIS COVERAGE AGREEMENT CAREFULLY. ALL TERMS IN QUOTES HAVE A SPECIAL MEANING FOUND UNDER **SECTION VII, DEFINITIONS** OR IN THE **COMMON CONDITIONS**.

IN CONSIDERATION OF THE PAYMENT OF THE PREMIUM SHOWN IN THE DECLARATIONS AND IN RELIANCE ON ALL OF THE STATEMENTS AND REPRESENTATIONS MADE DURING THE APPLICATION PROCESS TO THE POOL, AND SUBJECT TO ALL THE TERMS, CONDITIONS AND LIMITS OF THIS COVERAGE AGREEMENT, THE POOL AGREES AS FOLLOWS:

SECTION I - COVERAGE AGREEMENTS

A. GENERAL LIABILITY COVERAGE AGREEMENT

1. The Pool will pay "damages" the "member" is legally obligated to pay for "bodily injury", "property damage" or "personal and advertising injury". This Coverage Agreement only applies if:
 - a. prior to the effective date of this policy, no "member" knew that the "claim" for "bodily injury", "property damage" or "personal and advertising injury" was reasonably likely to be made;
 - b. the "bodily injury" or "property damage" is caused by an "occurrence" which happened after the "retroactive date";
 - c. the "claim" is first made against any "member" during the "rating period", and the "claim" is reported to the Pool in writing during the "rating period" or any applicable extended reporting period; and
 - d. the "bodily injury" or "property damage" is first sustained or the "personal and advertising injury" is first committed after the "retroactive date" and prior to the end of the "rating period" in the "coverage territory".
2. The Pool has the right and duty to defend the "member" against any "suit" seeking covered "damages". The Pool may, at the Pool's discretion, investigate any "claim" and settle any "claim" or "suit."
3. The Pool has no obligation to pay "damages", defend any "member" or incur any expense after the applicable limit of liability shown in the Declarations has been paid.

B. MUNICIPAL MANAGEMENT PRACTICES LIABILITY COVERAGE AGREEMENT

1. The Pool will pay "damages" the "member" is legally obligated to pay for a "wrongful act". This Coverage Agreement only applies if:

- a. prior to the effective date of this policy, no "member" knew that the "claim" resulting from a "wrongful act" was reasonably likely to be made;
 - b. the "wrongful act" happened after the "retroactive date";
 - c. the "claim" is first made against any "member" during the "rating period", and the "claim" is reported to the Pool in writing during the "rating period" or any applicable extended reporting period; and
 - d. the "wrongful act" is first committed after the "retroactive date" and prior to the end of the "rating period" in the "coverage territory".
2. The Pool has the right and duty to defend the "member" against any "suit" seeking covered "damages". The Pool may, at the Pool's discretion, investigate any "claim" and settle any "claim" or "suit."
 3. The Pool has no obligation to pay "damages", defend any "member" or incur any expense after the applicable limit of liability shown in of the Declarations has been paid.

Damages attributable to "bodily injury", "property damage" or "personal and advertising injury" will be covered by this policy only to the extent they fall within the coverage provided by Coverage Agreement A.

SECTION II - COVERED EXPENSES AND COSTS

A. FOR ANY "CLAIM" THE POOL INVESTIGATES OR SETTLES OR ANY "SUIT" THE POOL DEFENDS, THE POOL WILL PAY:

1. "Loss adjustment expense" the Pool incurs, subject to the "loss adjustment expense" limitations in this section and other "member" obligations contained in this Policy.
2. The cost of bonds to release attachments, but only for bond amounts within the applicable Limit Of Liability. The Pool does not have to furnish these bonds.
3. All reasonable expenses incurred by a "member" at the Pool's request to assist in the investigation or defense of the "claim" or "suit", including actual loss of earnings up to \$100 a day because of time off from work.
4. All costs, other than attorney's fees, taxed against the "member" in the "suit".
5. Prejudgment interest awarded against the "member" on that part of the judgment the Pool pays. If the Pool makes an offer to pay the applicable Limit Of Liability, the Pool will not pay any prejudgment interest incurred that accrued after the offer.
6. All interest on the full amount of any judgment that accrues after entry of the judgment and before the Pool has paid, offered to pay, or deposited in court the part of the judgment that is within the applicable Limit of Liability.

These payments will not reduce the Limits Of Liability unless otherwise noted in the Limits of Liability section.

B. FOR ANY "DECLARATORY RELIEF CLAIM" OR "INJUNCTIVE RELIEF CLAIM" THAT IS NOT BROUGHT WITH A "CLAIM" FOR "DAMAGES" THE POOL WILL PAY:

1. 50% of the first \$25,000 of "loss adjustment expense; and
2. 25% of the next \$25,000 of "loss adjustment expense".
3. The "Named Member" shall pay all "loss adjustment expense" in excess of \$50,000.

- a. The Pool may pay any part or all of the "loss adjustment expense" amount to effect settlement of any "claim" or "suit". The "Named Member" shall promptly reimburse the Pool for its share of "loss adjustment expense".
- b. The most the Pool will pay for all "loss adjustment expense" arising out of "injunctive relief claims" and "declaratory relief claims" made during the "rating period" is \$100,000.

SECTION III - EXCLUSIONS

This Policy does not apply to:

A. AIRCRAFT, DRONE OR WATERCRAFT

"Damages" arising out of the ownership, maintenance, use or entrustment to others of any aircraft, drone or watercraft owned or operated by or rented or loaned to any "member". Use includes operation and "loading or unloading".

This Exclusion does not apply to:

1. A watercraft while ashore on premises the "member" owns or rents;
2. A watercraft that is:
 - a. Less than 26 feet long; and
 - b. Not being used to carry persons or property for a charge;

B. AUTO

"Damages" arising out of the ownership, maintenance, use or entrustment to others of any "auto," owned or operated by or rented or loaned to any "member." use includes operation and "loading or unloading."

This exclusion does not apply to

1. Parking an "auto" on, or on the ways next to, premises the "member" owns or rents, provided the "auto" is not owned by or rented or loaned to any "member".
2. "Bodily injury" or "property damage" caused by the "Named Member's" work servicing or repairing vehicles provided the damage occurs off the "Named Member's" premises and when no "member" had care, custody or control of the vehicle.
3. "Damages" sustained by a suspect arising from lawful and official law enforcement operations conducted in pursuit of that suspect.

C. ASBESTOS

"Damages" arising directly or indirectly out of, resulting from, caused by or contributed to by:

1. The use, sale, installation, removal, abatement, distribution, or containment of or exposure to asbestos, asbestos products, asbestos-containing material, asbestos fibers, or asbestos dust;
2. The actual or threatened abatement, mitigation, removal or disposal of asbestos, asbestos products, asbestos-containing material, asbestos fibers, or asbestos dust;
3. Any supervision, instructions, recommendations, warnings or advice given or which should have been given in connection with (1) or (2) above; or
4. Any obligation of the "member" to indemnify any party in connection with (1), (2) or (3) above.

D. BREACH OF CONTRACT

"Damages" arising out of any breach of an express or implied contract or warranty including, but not limited to, any "claim" for amounts due under the terms of any contractual obligation. This exclusion does not apply to liability the "member" would have in the absence of the contract.

E. CONTRACTUAL LIABILITY

"Damages" which a "member" is obligated to pay by reason of the assumption of liability in a contract. This Exclusion does not apply to liability for "damages":

1. That the "member" would have in the absence of the contract; or
2. Assumed by a "member" in a "covered contract", provided the "wrongful act" or "occurrence" giving rise to the "damages" occurs subsequent to the execution of the contract.

F. DAMAGE TO IMPAIRED PROPERTY OR PROPERTY NOT PHYSICALLY INJURED

"Property damage" to "impaired property" or property that has not been physically injured, arising out of:

1. A defect, deficiency, inadequacy or dangerous condition in "the Member's product" or "the Member's work"; or
2. A delay or failure by the "member" or anyone acting on the "member's" behalf to perform a contract or agreement in accordance with its terms.

This Exclusion does not apply to the loss of use of other property arising out of the sudden and accidental physical injury to "the Member's product" or "the Member's work" after it has been put to its intended use.

G. DAMAGE TO PROPERTY

"Property damage" to:

1. Property the "member" owns, rents, or occupies, including any costs or expenses incurred by the "member", or by any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property;
2. Premises the "member" sells, gives away or abandons, if the "property damage" arises out of any part of those premises;
3. Property loaned to a "member";
4. Personal property in the care, custody or control of a "member";
5. That particular part of real property on which the "member" or any contractors or subcontractors working directly or indirectly on the "member's" behalf are performing operations, if the "property damage" arises out of those operations; or
6. That particular part of any property that must be restored, repaired or replaced because "the member's work" was incorrectly performed on it.

Paragraph (b) of this Exclusion does not apply if the premises are "the member's work" and were never occupied, rented or held for rental by the "member".

Paragraphs (c), (d), (e) and (f) of this Exclusion do not apply to liability assumed under a sidetrack agreement.

Paragraph (f) of this Exclusion does not apply to "property damage" included in the "products-completed operations hazard".

H. DAMAGE TO THE MEMBER'S PRODUCT

"Property damage" to "the Member's product" arising out of it or any part of it.

I. DAMAGE TO THE MEMBER'S WORK

"Property damage" to "the Member's work" arising out of it or any part of it.

J. DATA BREACH

"Damages" arising out of any access to, maintenance or disclosure of any person's or organization's non-public information or data.

K. DISHONEST, FRAUDULENT, CRIMINAL OR MALICIOUS ACTS

"Damages" arising out of:

1. Any dishonest, fraudulent, criminal, knowingly wrongful or malicious act, error or omission, committed by the "member", including the willful or reckless violation of any statute or ordinance; or
2. Any criminal proceedings or any proceedings under any open meeting law against any "member."

L. EMPLOYER'S LIABILITY

"Bodily injury" to:

1. An "employee" of a "member" arising out of and in the course of:
 - a. Employment by the "member"; or
 - b. Performing duties related to the "member's" municipal activities; or
2. The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph (a) above.

This Exclusion applies:

1. Whether the "member" may be liable as an employer or in any other capacity; and
2. To any obligation to share "damages" with or repay someone else who must pay "damages" because of the injury.

This Exclusion does not apply to liability assumed by the "member" under a "covered contract".

M. EMPLOYEE WAGES OR BENEFITS

"Damages" that are:

1. Claimed increases in wages or benefits; or
2. Fringe benefits, educational expenses, overtime or similar payments arising out of an "employment-related practices claim".

N. EMPLOYMENT RELATED LAWS

"Damages" arising out of an obligation imposed by or an alleged violation of:

1. any workers' compensation law;
2. any occupational disease law;
3. any unemployment compensation law;
4. any social security or disability benefits law;
5. the Employee Retirement Income Security Act;
6. the U.S. Longshoreman and Harbor Workers' Act;
7. the Federal Employers' Liability Act;
8. the Jones Act;
9. the Fair Labor Standards Act; or
10. the Migrant & Seasonal Agricultural Worker Protection Act.

O. EXPECTED OR INTENDED DAMAGES

Under the coverage provided under the General Liability Coverage Agreement in paragraph A above, any "damages" expected or intended from the standpoint of the "member". This exclusion does not apply to "bodily injury" or "property damage" that is the direct result of an act that the "member" believes to be necessary to safeguard or preserve or protect person or property.

Under the coverage provided under the Municipal Management Practices Liability in paragraph B above, "damages" arising out of a "wrongful act" the "member" knew or reasonably should have known to be wrongful at the time the act was committed. This exclusion does not apply to a "Member" for negligence in training, hiring or supervising an employee or agent.

P. FIDUCIARY LIABILITY

"Damages" arising out of any "wrongful act" committed by any "member" in a fiduciary capacity

Q. GENERAL LIABILITY

"Damages" for "bodily injury", "property damage" or "personal and advertising injury" are not covered by Municipal Management Practices Liability Coverage Agreement in paragraph B above. "Damages" for "bodily injury", "property damage" or "personal and advertising injury" will be covered only to the extent they fall within the coverage provided under the General Liability Coverage Agreement in paragraph A above. This exclusion does not apply if the "bodily injury", "property damage" or "personal and advertising injury" is sustained in the course of lawful and official law enforcement operations. In that case, those "damages" will only be covered under the Municipal Management Practices Liability Coverage Agreement.

R. INADEQUACY OF PERFORMANCE OF INVESTMENT/ADVICE

"Damages" arising out of:

1. Failure of any investment to perform;
2. Errors in providing information on past performance of investment vehicles;

3. Advice given to any person with respect to that person's decision to participate or not to participate in any plan included in the "employee benefit program"; or
4. The investment of or failure to invest funds.

S. INSUFFICIENCY OF FUNDS

"Damages" arising out of an insufficiency of funds to meet any obligations under any plan included in the "employee benefit program".

T. INSURANCE AND BONDS

"Damages" arising out of the purchase of or failure to purchase or maintain any insurance, other risk transfer agreement or bonds, including notary bonds.

U. INTELLECTUAL PROPERTY

"Damages" arising out of the infringement of copyright, patent, trademark, trade secret or other intellectual property rights.

However, this exclusion does not apply to infringement, in your "advertisement", of copyright, trade dress or slogan.

V. LAND USE

"Damages" arising out of

1. any taking, annexation, condemnation, inverse condemnation, adverse possession, or dedication by adverse use of land or property, whether or not as a result of the denial of substantive or procedural due process or both.
2. actual or alleged physical occupation, invasion, or use of property by the Member;
3. Reduction or invalidation of special assessment; or
4. actual or alleged negligent inspection or enforcement of any building, plumbing, electrical, fire or similar codes.

W. LEAD

"Damages" arising directly or indirectly out of, resulting from, caused by or contributed to by:

1. The toxic or pathological properties of lead, lead compounds or lead contained in any materials;
2. The actual or threatened abatement, mitigation, removal or disposal of lead, lead compounds or materials containing lead;
3. Any supervision, instructions, recommendations, warnings or advice given or which should have been given in connection with (1) or (2) above; or
4. Any obligation of the "member" to indemnify any party in connection with (1), (2) or (3) above.

X. LIQUOR LIABILITY

"Damages" for which any Covered Entity may be held liable by reason of:

1. Causing or contributing to the intoxication of any person;

2. The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or
3. Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.
4. This Exclusion applies only if the Covered Entity:
5. Is in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages; or
6. Serves or furnishes alcoholic beverages without a charge if a license is required for such activities. For the purposes of this provision, license does not mean a consumption and display permit.

Y. MATERIAL PUBLISHED WITH KNOWLEDGE OF FALSITY

"Personal and advertising injury" arising out of oral or written publication of material, if done by or at the direction of the "member" with knowledge of its falsity.

Z. MATERIAL PUBLISHED PRIOR TO RATING PERIOD

"Personal and advertising injury" arising out of oral or written publication of material whose first publication took place before the beginning of the "rating period".

AA. MOBILE EQUIPMENT

"Damages" arising out of the transportation of "mobile equipment" by an "auto" owned or operated by or rented or loaned to any "member".

BB. MUNICIPAL ACTIVITIES, SERVICES AND FACILITIES

1. "Damages" arising out of:
 - a. The complete or partial failure to adequately supply gas, oil, water, electricity or steam;
 - b. The failure or bursting of any dam, dike, levee or canal;
 - c. The detention or confinement of any person or persons in any jail, holding cell or similar detention facility if the "wrongful act" resulting in such "damages" occurs after a continuous detention or confinement period of 30 days, or in any detention facility which is intended and regularly used for confinement of persons for periods in excess of 30 days;
 - d. The ownership, operation, maintenance or use of any landfill or dump; or
2. "Damages" arising out of the ownership, operation, maintenance or use of any:
 - a. Airport; or
 - b. Hospital, nursing home or medical clinic.
3. Exclusion 1.a. does not apply if the failure to supply results from the sudden or accidental injury to tangible property owned or used by the "member".

Subject to above 3 above the "Failure to Supply" limit is \$1,000,000 per Claim / \$1,000,000 Aggregate and is the most the pool will pay for the sum of "damages" and "loss adjustment expense" arising out of all "failure to supply claims" made during the rating period.

CC. OTHER THAN MONEY DAMAGES

Any loss, cost or expense arising out of any judgment for declaratory relief or injunctive relief.

DD. POLLUTION

1. "Damages" for which a "member" would not have been liable in whole or in part but for the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.
2. Any loss, cost or expense arising out of any:
 - a. Request, demand, order or statutory or regulatory requirement that any "member" or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
 - b. "Claim" or "suit" by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".
3. This Exclusion does not apply to "damages" arising out of the use of insecticide applied for pest control, provided the use of the product was in compliance with the law.

EE. PRIOR KNOWLEDGE

"Damages" arising out of any "wrongful act" or "occurrence" that any "member" knew or reasonably should have known, prior to the effective date of this Coverage Agreement, was likely to result in a "claim".

FF. PRIOR ACTS

"Damages" arising out of any "wrongful act" or "occurrence" committed before the "retroactive date" of this Coverage Agreement.

GG. PROFESSIONAL SERVICES

"Damages" arising out of the rendering of or failure to render professional services by any professional listed below:

1. Attorney; but this Exclusion does not apply to a staff attorney employed full-time by the "member";
2. Architect;
3. Doctor of Medicine;
4. Dentist;
5. Nurse, except with respect to activities in the capacity of an emergency medical technician or first responder;
6. Pharmacist; or
7. Emergency Medical Technicians and First Responders, except with respect to activities while responding to emergencies.

HH. QUALITY OR PERFORMANCE OF GOODS - FAILURE TO CONFORM TO STATEMENTS

"Personal and advertising injury" arising out of the failure of goods, products or services to conform with any statement of quality or performance made in an "advertisement".

II. RECALL OF PRODUCTS, WORK OR IMPAIRED PROPERTY

"Damages" claimed for any loss, cost or expense incurred by the "member" or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

1. "The Member's product";
2. "The Member's work"; or
3. "Impaired property"

if such product, work, or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

JJ. SECURITIES CLAIMS

"Damages" arising out of any "Securities Claim".

KK. SILICA

"Damages" arising out of an exposure to or the existence of "silica".

LL. SOVEREIGN IMMUNITY

The Pool has no obligation to pay "damages" that the "member" would not be obligated to pay under applicable governmental or sovereign immunity law if this Coverage Agreement had not been obtained. The existence of this Coverage Agreement does not constitute a waiver of any statutory immunity or limitation on the amount of "damages" that can be awarded against a "member".

MM. SPECIAL EVENTS

"Damages" arising out of a "member's" ownership, sponsorship, maintenance or operation of any:

1. Mechanically operated amusement devices;
2. "Mobile equipment", "auto", snowmobile, motorcycle or other item in or while being prepared for any racing, pulling, pushing, speed, demolition or stunting activity;
3. Rodeos;
4. Fireworks displays or exhibitions;
5. Ski facility;
6. Climbing wall;
7. Trampoline or rebound device; or
8. Skateboard facility or skateboard activity.

This Coverage Agreement also does not apply to any "damages" arising out of the cancellation of any event.

NN. TAXATION

"Damages" arising out of the assessment, adjustment, collection or refunding of taxes.

OO. VOLUNTEER WORKERS

"Damages" as a result of "bodily injury" or "personal and advertising injury" to:

1. Any "volunteer worker" while acting on behalf of the "member"; or
2. The spouse, child, parent, brother or sister of that "volunteer worker" as a consequence of Paragraph (a) above

if the "volunteer worker" is:

3. An employee within the meaning of a Workers' Compensation law or similar law, or
4. Covered under a Voluntary Compensation endorsement to a Workers' Compensation coverage agreement or insurance policy.

PP. STORAGE TANKS

"Damages" arising out of the presence, ownership or use of any "storage tank".

QQ. WAR AND MILITARY ACTION

"Damages" due to:

1. War, including undeclared or civil war;
2. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
3. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

RR. WRONG DESCRIPTION OF PRICES

"Personal and advertising injury" arising out of the wrong description of the price of goods, products or services stated in an "advertisement".

SECTION IV - LIMITS OF LIABILITY AND DEDUCTIBLES

A. LIMITS OF LIABILITY

1. The Limits Of Liability shown in the Declarations and the rules below fix the most the Pool will pay regardless of the number of:
 - a. "Members" involved;
 - b. "Claims" made or "suits" brought;
 - c. Persons or organizations making "claims" or bringing "suits"; or
 - d. A "claim" and its "related claims" share one applicable limit.
2. For any "claim" or "suit" seeking "damages" for which coverage is provided by both Coverage Agreement A and Coverage Agreement B, only one Limit of Liability will apply. The "Named Member" is entitled to choose which Limit will apply.
3. Each sublimit stated below applies as part of, and not in addition to, any overall applicable coverage limit. Each sublimit is the maximum limit amount potentially recoverable for all "damages" arising from or relating to that particular "claim" or "suit."

4. The General Aggregate Limit is the most the Pool will pay for the sum of all "damages" and medical expenses covered by this Coverage Agreement. If "loss adjustment expenses" erode a particular limit, those expenses are also subject to this aggregate limit.
5. The Products-Completed Operations Aggregate Limit is the most the Pool will pay under Coverage A – General Liability for "damages" because of "bodily injury" and "property damage" included in the "products-completed operations hazard".
6. Subject to 5. above, the Each Claim-Occurrence/Offense Limit is the most the Pool will pay for "damages" under Coverage A – General Liability arising out of any one "occurrence" or offense.
7. The Each Claim-Wrongful Act Limit is the most the Pool will pay for "damages" under Coverage B. – Municipal Management Practice Liability arising out of any one "wrongful act".
8. The Medical Payments Each Accident Limit is the most the Pool will pay for all medical expenses because of "bodily injury" sustained in any one "occurrence".
9. The Medical Payments Each Person Limit is the most the Pool will pay for all medical expenses because of "bodily injury" sustained by any one person in any one "occurrence".
10. Sublimit-Back Wages
 - a. The "Back Wages" Aggregate Limit is the most the Pool will pay for the sum of "damages" and "loss adjustment expense" arising out of all "employment-related practices claims" and "suits" seeking "back wages" made during the "rating period".
 - b. Subject to a. above, the Back Wages Each Claim Limit is the most the Pool will pay for the sum of "damages" and "loss adjustment expense" arising out of any one "employment-related practices claim" seeking "back wages" made during the "rating period".
 - c. Subject to b. above, payment for past or back wages is limited to the claimant's regular salary for the twelve month period immediately preceding the "wrongful act" without adjustment for actual or possible overtime, incentive pay, or promotional or merit increases. Regular salary includes on-call wages.
11. Sublimit-Fire Damage

Exclusions E. and F do not apply to damage by fire to premises while rented to the "Named Member" or temporarily occupied by the "Named Member" with permission of the owner, but the Fire Damage Limit is the most the Pool will pay for "damages" for "property damage" by fire to any one premises.
12. Land Use
 - a. The Land Use Liability Aggregate Limit is the most the Pool will pay for the sum of "damages" and "loss adjustment expense" arising out of all "land use liability claims" made during the "rating period".
 - b. Subject to a. above, the Land Use Liability Each Claim Limit is the most the Pool will pay for the sum of "damages" and "loss adjustment expense" arising out of any one "land use liability claim" made during the "rating period".
 - c. The Pool shall be reimbursed by the "member" for 20% of the "damages" and "loss adjustment expense" paid under 12 a & b above.
13. Sublimit-Organic Pathogens

- a. The Organic Pathogen Aggregate Limit is the most the Pool will pay for the sum of "damages" and "loss adjustment expense" arising out of all "organic pathogen claims" made during the "rating period".
 - b. Subject to a. above, the Organic Pathogen Each Claim Limit is the most the Pool will pay for the sum of "damages" and "loss adjustment expense" arising out of any one "organic pathogen claim" made during the "rating period".
14. Sublimit-Pollution Liability
- Paragraph (1) of Exclusion CC – Pollution does not apply to "damages" arising out of a "Sudden Pollution Event".
- a. The Pollution Liability Each Event Limit is the most the Pool will pay for the sum of "damages" and "loss adjustment expense" arising out of any one "Sudden Pollution Event".
 - b. Subject to a. above, the Pollution Liability Each Claimant Limit is the most the Pool will pay for the sum of "damages" and "loss adjustment expense" arising out of all injury or damage sustained by any one person or organization in any one "Sudden Pollution Event".
15. Sublimit-Data Security Breach
- Exclusion J does not apply to "damages" arising out of a "data security breach".
- a. The Data Security Breach Aggregate Limit is the most the Pool will pay for the sum of "damages" and "loss adjustment expense" arising out of all "data security breaches."
 - b. Subject to a. above, the Data Security Breach Each Claim is the most the Pool will pay for the sum of "damages" and "loss adjustment expense" arising out of any one "claim" alleging a "data security breach".
16. The Limits Of Liability apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the "rating period" shown in the Declarations, unless the "rating period" is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits Of Liability.

B. DEDUCTIBLES

- 1. The Pool's obligation to pay "damages" on a "member's" behalf applies only to the amount of "damages" in excess of any Deductible amount stated in the Declarations.
- 2. The Aggregate Deductible amount applies to all "damages" arising out of "claims" made during the "rating period".
- 3. Subject to Paragraph 2. above, the Each Claim-Wrongful Act and Each Claim-Occurrence/Offense Deductible amount applies to all "damages" as the result of any one "wrongful act", "occurrence" or offense, regardless of the number of persons or organizations who sustain "damages".
- 4. The Pool may pay any part or all of the Deductible amount to effect settlement of any "claim" or "suit". The "member" shall promptly reimburse the Pool for such part of the Deductible amount as has been paid by the Pool.
- 5. The Member is not obligated to pay a deductible for any "land use liability claim", "organic pathogens claim", "back wages", or claim arising out of a "Sudden Pollution Event."

SECTION V - MEMBERS

A. INDIVIDUALS AND ORGANIZATIONS THAT QUALIFY AS MEMBERS

1. The city, town or other governmental body or entity identified as the "Named Member" in the Declarations.

Unless specifically identified by endorsement, "member" does not include:

- a. A gas, airport, electrical, or steam utilities commission;
 - b. A port authority, housing and redevelopment authority, economic development authority, area or municipal redevelopment authority, or similar agency;
 - c. A municipal power agency or municipal gas agency;
 - d. A hospital or nursing home board or commission;
 - e. A welfare or public relief agency;
 - f. A school board; or
 - g. A "joint venture", except as provided in Paragraph 2.c.(2) below.
2. Each of the following is also a "member" for liability while acting within the scope of their duties in the positions described:
 - a. Any of the "Named Member's" elected or appointed officials;
 - b. Any person serving on the "Named Member's" council;
 - c. Any "employee" of the "Named Member", while acting within the course and scope of their duties on behalf of:
 - (1) The "Named Member"; or
 - (2) Another governmental entity pursuant to a mutual aid agreement;
 - d. Any person on a "Named Member's" board, commission, agency or committee that is not excluded under Paragraph 1. above;
 - e. Any "volunteer worker" or volunteer organization only while acting on behalf of the "Named Member" and subject to the "Named Member's" direction and control;
 - f. Any "Named Member" relief association and its officers and "employees"; and
 - g. Any other authorized person or agent of the "Named Member" while acting on behalf of the "Named Member", including the "Named Member's" "leased workers".

This provision does not include independent contractors.
 3. No person or organization described under Paragraph 2. is a "member" with respect to any "claim" or "suit" against that person or organization by any other "member".

SECTION VI - ADDITIONAL COVERAGES

A. MEDICAL PAYMENTS

1. The Pool will pay the medical expenses identified below resulting from "bodily injury" caused by an "occurrence" on the "covered premises", provided that:

- a. The "bodily injury" arises out of a condition in or on the "covered premises";
 - b. The "occurrence" takes place during the "rating period";
 - c. The expenses are incurred and reported to the Pool within one year of the date of the accident; and
 - d. The injured person submits to examination, at the Pool's expense, by physicians of the Pool's choice as often as the Pool reasonably requires.
2. The Pool will make these payments regardless of fault.
 3. The Pool will pay reasonable expenses for:
 - a. First aid administered at the time of an accident;
 - b. Necessary medical, surgical, x-ray and dental services, including prosthetic devices;
 - c. Necessary ambulance, hospital, professional nursing and funeral services; and
 - d. Replacement or repair of damaged eyeglasses or clothing.

4. Exclusions

The Pool will not pay expenses for "bodily injury":

- a. Any "member"
To any "member".
- b. Hired Person
To a person hired to do work for or on behalf of any "member" or a tenant of any "member".
- c. Injury On Normally Occupied Premises
To a person injured on that part of premises the "member" owns or rents that the person normally occupies.
- d. Workers Compensation And Similar Laws
To a person, whether or not an "employee" of any "member", if benefits are payable or must be provided under a workers' compensation or disability benefits law or a similar law.
- e. Athletic Activities
To a person injured while practicing, instructing, training for or taking part in athletics, whether on an organized or non-organized basis.
- f. Products-Completed Operations Hazard
Included within the "products-completed operations hazard".
- g. Liability Exclusions
Excluded under Coverages A & B.

- h. Independent Contractors
Arising out of operations performed for the "member" by an independent contractor.
 - i. Maintenance And Repair
To any person while engaged in:
 - (1) Maintenance and repair of the "covered premises"; or
 - (2) Alteration, demolition or new construction at such premises.
 - j. Member Or Guest
To a member or guest of any club, tourist court or trailer park operated or owned by the "member".
 - k. Snowmobiles
Arising out of the operation or use of any snowmobile or trailer designed for use therewith.
- Exclusions a., c., i. and j. do not apply to a "volunteer worker" described in the definition of "covered premises".
- 5. As soon as practicable, but in no event later than the termination of the "rating period" or any applicable Extended Reporting Period, the injured person or someone on the injured person's behalf shall:
 - a. Give the Pool written proof of "claim", under oath if required, and
 - b. After each request from the Pool, execute authorization to enable the Pool to obtain copies of medical reports and records.

B. CRISIS INTERVENTION COVERAGE

- 1. The Pool will reimburse the "Named Member" for costs incurred by the "Named Member" to provide the following services:
 - a. On-premises mental health crisis and grief counseling, by a licensed counselor, for employees or officials of the "Named Member" in need of such services for a period of one week after a "Traumatic Work-Related Event" occurs;
 - b. A 24-hour, 7-day per week crisis hotline for a period of up to 3 months after a "Traumatic Work-Related Event" occurs;
 - c. Crisis follow-up and relapse prevention services, by a licensed counselor, for employees or officials of the "member" in need of such services for a period of up to 3 months after a "Traumatic Work-Related Event" occurs;
 - d. A media specialist to handle crisis-related external communications with electronic, print, television and radio media for up to one month after a "Traumatic Work-Related Event" occurs.
- 2. The Limit of this Additional Coverage for each "Traumatic Work-Related Event" is \$25,000. The annual aggregate limit of this Additional Coverage is \$25,000.

SECTION VII - DEFINITIONS

- A. "ADVERTISEMENT"** means a notice that is broadcast or published to the general public or specific market segments about goods, products or services for the purpose of attracting customers or supporters.
- B. "AUTO"** means:
1. A land motor vehicle, trailer or semi-trailer designed for travel on public roads; or
 2. An all-terrain vehicle licensed for road use;
- including any attached machinery or equipment. But "auto" does not include "mobile equipment".
- C. "BACK WAGES"** means the regular salary for the twelve month period immediately preceding the "wrongful act" without adjustment for actual or possible overtime, incentive pay, or promotional or merit increases. Regular salary includes on-call wages.
- D. "BODILY INJURY"** means bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time.
- E. "CAFETERIA PLANS"** means any plan authorized by applicable law to allow employees to elect to pay for certain benefits with pre-tax dollars.
- F. "CLAIM"** means a written demand for money or services.
- G. "COVERAGE TERRITORY"** means:
1. The United States of America (including its territories and possessions) and Canada;
 2. International waters or airspace, but only if the "wrongful act", "occurrence" or offense occurs in the course of travel or transportation between any places included in 1 above; or
 3. All other parts of the world if the "claim" for "damages" arises out of:
 - a. Goods or products made or sold by the "member" in the territory described in 1 above; or
 - b. The activities of a person whose home is in the territory described in a. above, but is away for a short time on the "member's" business;provided a "member's" responsibility to pay "damages" is determined in a "suit" on the merits, in the territory described in 1 above or in a settlement the Pool agrees to.
- H. "COVERED CONTRACT"** means:
1. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire to premises while rented to the "member" or temporarily occupied by the "member" with permission of the owner is not a "covered contract";
 2. A sidetrack agreement;
 3. Any easement or license agreement, including those for vehicle or pedestrian private railroad crossings at grade, but not including easements or license agreements in connection with construction or demolition operations on or within 500 feet of a railroad;
 4. An obligation, as required by ordinance, to indemnify a municipality;
 5. An elevator maintenance agreement;
 6. That part of any other contract or agreement pertaining to the "member's" municipal activities under which the "member" assumes the tort liability of another party to pay "damages" to a third person or

organization if the contract or agreement is made prior to the date of the "wrongful act" giving rise to claimed "damages". Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

Paragraph 6 does not include that part of any contract or agreement:

- a. That indemnifies a railroad for "damages" arising out of construction or demolition operations within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, roadbeds, tunnel, underpass or crossing;
- b. That indemnifies an architect, engineer or surveyor for "damages" arising out of:
 - (1) Preparing, approving, or failing to prepare or approve maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings, designs and specifications; or
 - (2) Giving directions or instructions, or failing to give them, if that is the primary cause of the "damages"; or
- c. Under which the "member", if an architect, engineer or surveyor, assumes liability for "damages" arising out of the "member's" rendering or failure to render professional services.

I. "COVERED PREMISES" means:

All premises owned or rented to the "member"; and

1. The ways on land next to premises the "member" owns; or,
2. Any location in the "coverage territory" if the person making the "claim" is a "volunteer worker" who is:
 - a. Subject to the "member's" direction and control;
 - b. Injured while acting on behalf of the "member"; and
 - c. Not covered by the "member" for worker's compensation, disability, or medical benefits.

J. "DAMAGES" means money paid to another for injury.

"Damages" does not include:

1. Taxes, fines or penalties, including those imposed under the Internal Revenue Code or any similar state or local law;
2. Repayment of any tax or assessment that was wrongfully obtained, or any interest on such tax or assessment; or
3. Amounts paid or payable for the purchase or permanent acquisition of property or property rights, or for the right to permanently enforce an ordinance, regulation, or restriction on the use of property.

K. "DATA SECURITY BREACH" means the unauthorized acquisition of an individual's "personal information" maintained by a "Named Member" that compromises its confidentiality, integrity or security.

L. "DECLARATORY RELIEF CLAIM" means any "claim" arising out of a request for a court of competent jurisdiction to decide the rights and obligations of the parties pursuant to the state of Arizona or Federal statutes on declaratory relief.

M. "DISCRIMINATION" means violation of a person's civil rights with respect to such person's race, color, national origin, religion, gender, marital status, age, sexual orientation or preference, physical or mental condition, or any other protected class or characteristic established by any federal, state or local statutes, rules or regulations.

N. "EMPLOYEE" means any natural person:

1. While in the "Named Member's" service;
2. Who the "Named Member" compensates directly by salary, wages or commissions;
3. Who the "Named Member" has the right to direct and control while performing services for the "Named Member"; and
4. "Leased worker".

"Employee" does not mean or include any agent, independent contractor or representative acting in the same general capacity.

O. "EMPLOYEE BENEFIT PROGRAM" means a program providing some or all of the following benefits to "employees", whether provided through a "cafeteria plan" or otherwise:

1. Group life insurance; group accident or health insurance; dental, vision and hearing plans; and flexible spending accounts; provided that no one other than an "employee" may subscribe to such benefits and such benefits are made generally available to those "employees" who satisfy the plan's eligibility requirements;
2. Profit sharing plans, employee savings plans, employee stock ownership plans, pension plans and stock subscription plans, provided that no one other than an "employee" may subscribe to such benefits and such benefits are made generally available to all "employees" who are eligible under the plan for such benefits;
3. Unemployment insurance, social security benefits, workers' compensation and disability benefits; and
4. Vacation plans, including buy and sell programs; leave of absence programs, including military, maternity, family, and civil leave; tuition assistance plans; transportation and health club subsidies.

P. "EMPLOYMENT-RELATED PRACTICES CLAIM" means a "claim" or "suit" alleging:

1. Demotion or failure to promote, negative evaluation, reassignment or discipline of the "Named Member's" current "employee" or wrongful refusal to employ;
2. Wrongful termination, meaning the actual or constructive termination of an "employee":
 - a. In violation or breach of applicable law or public policy;
 - b. Which is determined to be in violation of a contract, other than any employment contract, which stipulates financial consideration is due as the result of a breach of the contract;
 - c. Wrongful denial of training, wrongful deprivation of career opportunity;
 - d. Negligent hiring or supervision which results in any of the other offenses listed in this definition;
 - e. Retaliatory action against an "employee" because the "employee" has:

- (1) Declined to perform an illegal or unethical act;
 - (2) Filed a complaint with a governmental authority or a "suit" against the "member" or any other "member" in which "damages" are claimed;
 - (3) Testified against the "member" or any other "member" at a legal proceeding; or
 - (4) Notified a proper authority of any aspect of the "member's" municipal activities which is illegal;
- f. Coercing an "employee" to commit an unlawful act or omission within the scope of that person's employment;
 - g. Work-related harassment;
 - h. Employment-related libel, slander, invasion of privacy, defamation or humiliation; or
 - i. Other work-related verbal, physical, mental or emotional abuse arising from "discrimination".

Any "claim" qualifying as an "employment-related practices claim" will be considered to be an "employment-related practices liability claim" in its entirety, regardless of whether the "claim" may assert other "claims" or "damages".

Q. "IMPAIRED PROPERTY" means tangible property, other than "the Member's product" or "the Member's work", that cannot be used or is less useful because:

1. It incorporates "the Member's product" or "the Member's work" that is known or thought to be defective, deficient, inadequate or dangerous; or
2. The "member" has failed to fulfill the terms of a contract or agreement;

if such property can be restored to use by:

3. The repair, replacement, adjustment or removal of "the Member's product" or "the Member's work"; or
4. The "member's" fulfilling the terms of the contract or agreement.

R. "INJUNCTIVE RELIEF CLAIM" means any "claim" arising out of an injunction or request for an injunction:

1. Forbidding the "member" to do some act, which the "member" intends or is attempting to commit;
2. Restraining the "member" in the continuance of an act; or
3. Requiring the "member" to undertake requested action pursuant to the state of Arizona or Federal statutes on injunctive relief.

S. "JOINT VENTURE" means a joint powers agreement, intergovernmental agreement, mutual aid agreement, or any similar agreement, including any entity, corporation, association, partnership or other arrangement formed by that agreement.

T. "LAND USE LIABILITY CLAIM" means any "claim" directly relating to:

1. The enforcement or interpretation of a land use, zoning or subdivision ordinance or regulation; or
2. The "Named Member's" regulatory approval or disapproval of any development or redevelopment project.

Any "claim" qualifying as a "land use liability claim" under 1 or 2 above will be considered to be a "land use liability claim" in its entirety, regardless of whether the "claim" may assert other "claims" or "damages".

U. "LEASED WORKER" means a person leased to the "Named Member" by a labor leasing firm under an agreement between the "Named Member" and the labor leasing firm, to perform duties related to the conduct of the "Named Member's" municipal operations.

V. "LOADING OR UNLOADING" means the handling of property:

1. After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto";
2. While it is in or on an aircraft, watercraft or "auto"; or
3. While it is being moved from an aircraft, watercraft or "auto" to the place where it is finally delivered;

but "loading or unloading" does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or "auto".

W. "LOSS ADJUSTMENT EXPENSE" means expenses incurred and allocated to any "claim" or "suit" for investigation, defense, and administration.

"Loss adjustment expense" does not include:

1. Salaries and expenses of employees of the Pool or the Pool's Administrator, other than that portion of the Pool's employed attorney's fees, salary and expenses allocated to a specific "claim" or "suit"; or
2. Salaries of the "Named Member's" "employees" or the "member's" office expenses.

X. "MEMBER" means anyone or any entity who qualifies under Section V.

Y. "MOBILE EQUIPMENT" means any of the following types of land vehicles, including any attached machinery or equipment:

1. Bulldozers, farm machinery, forklifts, all-terrain vehicles not licensed for road use, and other vehicles designed for use principally off public roads;
2. Street cleaning equipment not licensed for road use;
3. Vehicles that travel on crawler treads;
4. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
 - a. Power cranes, shovels, loaders, diggers or drills; or
 - b. Road construction or resurfacing equipment such as graders, scrapers or rollers;
5. Vehicles not described in Paragraphs 1, 2, 3 or 4. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
 - a. Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
 - b. Cherry pickers and similar devices used to raise or lower workers.

6. Vehicles not described in Paragraphs 1, 2, 3 or 4 above maintained primarily for purposes other than the transportation of persons or cargo.

However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":

- a. Street cleaning equipment, if licensed for road use;
- b. Equipment designed primarily for:
 - (1) Snow removal; or
 - (2) Road maintenance, but not construction or resurfacing;
- c. Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and
- d. Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

Z. "**OCCURRENCE**" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions. A series of "occurrences" related by cause, fact or service will be considered one "occurrence" deemed to have only occurred when the first "occurrence" in the series happened.

AA. "**ORGANIC PATHOGEN CLAIM**" means any "claim" or "suit" seeking "damages" arising from any bacterium, virus, fungus, mold or mildew, or any of their mycotoxins, spores, scents or other by-products. Any "claim" qualifying as a "organic pathogen claim" will be considered to be an "organic pathogens claim" in its entirety, regardless of whether the "claim" may assert other "claims" or "damages".

BB. "**PERSONAL AND ADVERTISING INJURY**" means injury arising out of the following offenses:

1. False arrest or imprisonment;
2. Malicious prosecution;
3. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy;
4. Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
5. Oral or written publication, in any manner, of material that violates a person's right of privacy;
6. The use of another's advertising idea in the "Named Member's" "advertisement";
7. Infringing upon another's copyright, trade dress or slogan in the "Named Member's" "advertisement"; or
8. Assault or battery committed for the purpose of protecting persons or property or incident to an arrest.

For the offense of malicious prosecution, the injury is deemed to have been occurred and the offense committed only at the time the prosecution was initiated.

Any series of "personal and advertising injury" offenses related by cause, fact or service will be considered one "personal and advertising injury" offense deemed to only have been committed when the first "personal and advertising injury" offense was committed.

CC. "PERSONAL INFORMATION" means:

1. An individual's name or initials in combination with any one or more of the following data elements, when the data element is not encrypted:
 - a. The individual's social security number.
 - b. The individual's number on a driver license or identification license issued pursuant to applicable state law.
 - c. The individual's financial account information in combination with any required security code, access code or password.
2. "Personal information" does not mean any publicly available information.

DD. "POLLUTANTS" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

EE. "PRODUCTS-COMPLETED OPERATIONS HAZARD" includes all "bodily injury" and "property damage" occurring away from premises the "member" owns or rents and arising out of "the Member's product" or "the Member's work" except:

1. Products that are still in the "member's" physical possession; or
2. Work that has not yet been completed or abandoned. However, "the Member's work" will be deemed completed at the earliest of the following times:
 - a. When all of the work called for in the "member's" contract has been completed.
 - b. When all of the work to be done at the job site has been completed if the "member's" contract calls for work at more than one job site.
 - c. When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

FF. "PROPERTY DAMAGE" means:

1. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or
2. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the "occurrence" that caused it.

Electronic data or information is not tangible property for purposes of this definition.

GG. "RATING PERIOD" means the Rating Period shown in the Declarations.

HH. "RELATED CLAIMS" means all claims that allege the same or related "wrongful acts", "occurrences" or offenses. A wrongful act, "occurrence" or offense is related if it is one of a series of events or shares a common cause, fact or service.

II. "RETROACTIVE DATE" means the date identified as such in the Declarations.

JJ. **"SECURITIES CLAIM"** means any "suit" or "claim" for any relief, including informal or formal investigations or enforcement actions brought by any Federal or State agency or office, and licensure or disciplinary proceedings instituted by any Federal or State agency or office, or instituted by the Financial Institution Regulatory Authority ("FINRA") and any similar industry regulatory authority performing the same or a similar function as FINRA, or international, national, or regional stock, commodities, or futures exchanges, arising out of any actual or alleged violation of:

1. The Securities Act of 1933;
2. The Securities Exchange Act of 1934;
3. The Public Utilities Holding Act of 1935;
4. The Trust Indenture Act of 1939;
5. The Investment Company act of 1940;
6. The Investment Advisors Act of 1940;
7. Any state Blue Sky Laws; including any rules, regulations or amendments issued in relation to the acts referenced in 1-6 above; or
8. Any common law claim arising out of or in any way concerning or related to:
 - a. The promotion, issuance, sale or solicitation for sale of securities, bonds, debentures, stocks, options, warrants, trusts, real estate, REIT, or any other investment of any kind by any "member"; or
 - b. Recommendations, representations, or opinions concerning investment advice given by any "member" or any person or organization referred to by any "member" in connection with the performance or nonperformance of any securities, bonds, debentures, stocks, options, warrants, trusts, real estate, REIT, or any other investment of any kind by any "member"; or
 - c. The provision or furnishing of, by any "member", any information, data, statistics, projections, or other written or oral communication subsequently used, in any manner whatsoever, by the other party in making any decisions regarding any securities, bonds, debentures, stocks, options, warrants, trusts, real estate, REIT, or any other investment of any kind; or
 - d. Any common law principles of liability, if made in connection with an actual or alleged violation of any law listed in a-g above.

"Securities Claim" includes claims arising out of the solicitation of, attempt to commit, or conspiracy to commit, any act described in the preceding paragraphs.

KK. **"SILICA"** means silicon dioxide (occurring in crystalline, amorphous and impure forms), silica particles, silica dust or silica compounds.

LL. **"SUDDEN POLLUTION EVENT"** means a discharge, dispersal, release or escape of "pollutants" which:

1. Begins during the "rating period";
2. Begins at an identified time and place;
3. Ends, in its entirety, at an identified time within 48 hours of the beginning of the discharge, dispersal, release or escape of the "pollutants";

4. Is not a repeat or resumption of a previous discharge, dispersal, release or escape of the same "pollutant" from essentially the same source within 12 months of a previous discharge, dispersal, release or escape; and
5. Does not originate from a "Storage Tank."

To be a "Sudden Pollution Event", the discharge, dispersal, release or escape of "pollutants" need not be continuous. However, if the discharge, dispersal, release or escape is not continuous, then each and all discharges, dispersals, releases or escapes of the same "pollutants" from essentially the same source, considered together, must satisfy this definition to be considered a Sudden Pollution Event.

The "member" must notify the Pool of the "Sudden Pollution Event" as soon as practicable, but no more than 14 days after its ending.

MM. "SUIT" means a civil proceeding in which covered "damages" are alleged. "Suit" includes:

1. An arbitration proceeding to which the "member" must submit or does submit with the Pool's consent; or
2. Any other alternative dispute resolution proceeding to which the "member" submits with the Pool's consent.

"Suit" does not mean any criminal proceeding against any "member" or any open meeting law proceeding.

NN. "THE MEMBER'S PRODUCT":

1. Means:
 - a. Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
 - (1) The "Named Member";
 - (2) Others trading under the "Named Member's" name; or
 - (3) A person or organization whose business or assets the "Named Member" has acquired; and
 - b. Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.
2. Includes:
 - a. Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "the Member's product"; and
 - b. The providing of or failure to provide warnings or instructions.
3. Does not include vending machines or other property rented to or located for the use of others but not sold.

OO. "THE MEMBER'S WORK":

1. Means:
 - a. Work or operations performed by the "Named Member" or on the "Named Member's" behalf; and

- b. Materials, parts or equipment furnished in connection with such work or operations.
2. Includes:
- a. Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "the Member's work; and
 - b. The providing of or failure to provide warnings or instructions.

PP. "**TRAUMATIC WORK-RELATED EVENT**" is an unforeseen event that occurs at the premises described in the Declarations and results in loss of life or serious injury of a person while on those premises.

QQ. "**STORAGE TANK**" means any storage tank, including any attached pumps, valves or piping, either on or buried below the surface of the ground or water, or which, at any time, had been buried under the surface of the ground or water and then subsequently exposed by any means. For the purposes of this definition, "buried" means that at least 10% of it is below the surface of the ground or water.

RR. "**VOLUNTEER WORKER**" means a person who:

- 1. Is not the "Named Member's" "employee";
- 2. Donates his or her work;
- 3. Acts at the direction of and within the scope of duties determined by the "Named Member"; and
- 4. Is not paid a fee or salary by the "Named Member" or anyone else for their work performed for the "Named Member".

SS. "**WRONGFUL ACT**" means any actual or alleged negligent act, error, omission, misstatement, misleading statement, neglect, or breach of duty by a "member".

However, "wrongful act" shall not mean any act:

- 1. Which is criminal, wanton or reckless;
- 2. Which constitutes:
 - a. Malfeasance in office;
 - b. Willful neglect of duty;
 - c. Bad faith;
 - d. Dishonesty; or
 - e. The willful violation of a statute or ordinance.
- 3. For which the "Named Member" is not authorized to indemnify any person by law or public policy.

Any series of "wrongful acts" related by cause, fact or service will be considered one "wrongful act" deemed to have only happened when the first "wrongful act" in the series happened.

SECTION VIII - CONDITIONS

A. WHEN A "CLAIM" IS FIRST MADE AND REPORTED AND RELATED CLAIMS

A "claim" is deemed to have been first made on the date any "member" receives notice of the "claim".

A "claim" is deemed to have been reported to the Pool on the date the Pool receives written notice of the "claim" from the "member".

All "related claims" will be considered to have been first made and reported to the Pool under the coverage in effect at the time the first "claim" is made and reported to the Pool. All "related claims" will be deemed to be one claim for purposes of any applicable Limit of Liability.

B. GOVERNMENTAL TORT LIABILITY LIMITATION

By accepting coverage under this Coverage Agreement, the "member" does not waive any of its statutory immunities for monetary limits of liability (commonly known as tort liability damages caps), and the Pool shall not be liable for any "claims" in excess of the statutory monetary limits unless the statutory tort limitation is found by a court not to apply. If "claims" are asserted in any judicial jurisdiction where statutory liability damage caps do not apply, then the Limits of Liability shown in the Declarations and further described in the Limits of Liability apply.

C. BANKRUPTCY

Bankruptcy or insolvency of the "member" or of the "member's" estate shall not relieve the Pool of any of its obligations hereunder.

D. DUTIES IN THE EVENT OF WRONGFUL ACT, OCCURRENCE OFFENSE, CLAIM OR SUIT

1. The "member" must see to it that the Pool is notified as soon as practicable of a "wrongful act", "occurrence" or offense which may result in a "claim" or "suit". The notice must include:

- a. Details sufficient to identify the "member" involved;
- b. How, when, and where the "wrongful act", "occurrence" or offense took place;
- c. The names and addresses of any injured persons and witnesses; and
- d. The nature and location of any injury or damage.

Notice of a "wrongful act", "occurrence" or offense is not notice of a "claim".

2. The "member" must provide written notice of any "claim" or "suit" to the Pool or any of its authorized agents as soon as practicable, but not later than the termination of the "rating period" or any applicable Extended Reporting Period.

3. The "member" must:

- a. Immediately send the Pool copies of any demands, notices, summonses or legal papers received in connection with the "claim" or "suit";
- b. Authorize the Pool to obtain records and other information;
- c. Cooperate with the Pool in the investigation or settlement of the "claim" or defense against the "suit"; and

- d. Assist the Pool, upon the Pool's request, in the enforcement of any right against any person or organization which may be liable to the "member" because of injury or damage to which this coverage may also apply.
4. No "member" will, except at that "member's" own cost, voluntarily make a payment, assume any legal obligation, or incur any expense, other than for first aid, without the Pool's consent.

E. LEGAL ACTION AGAINST THE POOL

No person or organization has a right under this Coverage Agreement:

1. To join the Pool as a party or otherwise bring the Pool into a "suit" to determine any "member's" liability; or
2. To sue the Pool under this Coverage Agreement unless all of its terms have been fully complied with.

A person or organization may sue the Pool to recover on an agreed settlement or on a final judgment against a "member"; but the Pool will not be liable for "damages" that are not payable under the terms of this Coverage Agreement or that are in excess of the applicable Limit Of Liability. An agreed settlement means a settlement and release of liability signed by the Pool, the Member and the claimant or the claimant's legal representative.

Any legal action by a "member" against the Pool for breach of this Coverage Agreement must be filed within one year of the date of the alleged breach.

F. REPRESENTATIONS

By accepting this Coverage Agreement, the "member" agrees:

1. The statements in the Declarations and applications are accurate and complete;
2. Those statements are based upon representations the "member" made to the Pool;
3. The Pool has issued this Coverage Agreement in reliance upon the "member's" representations; and
4. The "member" does not waive any statutory or common law immunity.

G. OTHER INSURANCE

The coverage afforded by this Coverage Agreement is excess coverage over any other insurance, self-insurance or other risk transfer agreement, whether primary, excess, contingent or provided on any other basis, whether collectible or not. This provision does not apply to any policy that is written to be excess over this policy.

H. INSPECTION AND AUDIT

1. The Pool will be permitted, but is not obligated, to inspect the "member's" property and operations. The purpose of these inspections is to assist the Pool in underwriting and assessing the risk. It is understood and agreed that in undertaking these inspections the Pool does not warrant or guarantee that the property or operations are safe or are in compliance with any law, rule, or regulation.
2. The Pool may examine and audit the "member's" relevant books and records at any time during the "rating period" or any extension and within three (3) years after the final termination of this Coverage Agreement.

I. CHANGES, ASSIGNMENT AND SUBROGATION

This Coverage Agreement contains all the agreements between the Pool and all "members" concerning the coverage afforded. The "Named Member" shown in the Declarations is authorized to make changes to the terms of this Coverage Agreement with the consent of the Pool. The Coverage Agreement's terms can be amended or waived only by endorsement issued by the Pool and made a part of this Coverage Agreement.

Assignment of interest or any transfer or waiver of subrogation under this Coverage Agreement shall not bind the Pool unless and until the Pool's consent is endorsed to this Coverage Agreement.

SECTION IX - EXTENDED REPORTING PERIODS

A. EXTENDED REPORTING PERIODS

1. The Pool will provide one or more Extended Reporting Periods, as described below, if:
 - a. This Coverage Agreement is canceled; or
 - b. The Pool renews or replaces this Coverage Agreement with coverage that:
 - (1) Has a "Retroactive Date" later than the date shown in the Declarations; or
 - (2) Does not apply on a claims-made and reported basis.
2. Extended Reporting Periods do not extend the "rating period" or change the scope of coverage provided. They apply to afford a "member" additional time to report an otherwise covered "claim".

Once in effect, Extended Reporting Periods may not be canceled.

3. A Basic Extended Reporting Period is automatically provided without additional charge. This period starts with the end of the "rating period" and lasts for sixty days. During this time a covered "claim" first made during the "rating period" may be reported in writing to the Pool.
4. A Supplemental Extended Reporting Period of unlimited duration is available, but only by an endorsement and for an extra membership fee. This supplemental period starts when the Basic Extended Reporting Period, set forth in Paragraph 3. above, ends.

The "Named Member" must give the Pool a written request for the endorsement within 60 days after the end of the "rating period". The Supplemental Extended Reporting Period will not go into effect unless the "Named Member" pays the additional membership fee when due.

The Pool will determine the additional charge as a percentage of the expiring annual membership fee for this Coverage Agreement as follows:

| <i>Number of years since retroactive date shown on Declarations page</i> | <i>Additional Membership Fee</i> |
|--|--------------------------------------|
| 1 | 50% |
| 2 | 70% |
| 3 | 80% |
| 4 | 90% |
| 5 or more | 100% |

The Supplemental Extended Reporting Period endorsement shall set forth the terms, not inconsistent with this Section, applicable to the Supplemental Extended Reporting Period.

5. The Extended Reporting Periods do not reinstate or increase the Limits Of Liability.



THIS ENDORSEMENT CHANGES THE COVERAGE AGREEMENT. PLEASE READ IT CAREFULLY.

ARIZONA MUNICIPAL RISK RETENTION POOL ADDITIONAL COVERED ENTITY ENDORSEMENT

This endorsement modifies coverage provided under the following:

MUNICIPAL LIABILITY COVERAGE FORM AZMLC

Section V. is amended to include as a "member" any person or organization named as an Additional Member on a Certificate of Coverage on file with Southwest Risk Services, the designated administrator for the Arizona Municipal Risk Retention Pool, but only with respect to liability arising out of the operation, activity or specific contract shown.



THIS ENDORSEMENT CHANGES THE COVERAGE AGREEMENT. PLEASE READ IT CAREFULLY.

ARIZONA MUNICIPAL RISK RETENTION POOL SKATEBOARD FACILITY OR ACTIVITY ENDORSEMENT

This endorsement modifies coverage provided under the following:

MUNICIPAL LIABILITY COVERAGE FORM AZMLC

Paragraph **(8)** of Special Events exclusion does not apply.



ARIZONA MUNICIPAL RISK RETENTION POOL MUNICIPAL PROPERTY COVERAGE AGREEMENT

DECLARATIONS

Agreement # 2000169-1
Replaces Agreement # AM40172016

THIS DECLARATIONS PAGE AND THE ATTACHED MUNICIPAL PROPERTY COVERAGE AGREEMENT FOR INSURANCE COMPLETE THIS COVERAGE PART.

Item 1. NAMED MEMBER AND MAILING ADDRESS:

San Luis, City Of
PO Box 1170
San Luis, AZ 85349

Item 2. CONTINUOUS COVERAGE PERIOD EFFECTIVE:

12:01 A.M. Standard Time at Mailing Address
on Common Coverage Declarations

Rating Period From: 07/01/2017

To: 07/01/2018

Item 3. THE COVERED MEMBER IS:

Municipality

Item 4. SCHEDULE OF COVERAGES:

IN RETURN FOR THE PAYMENT OF MEMBERSHIP FEES, THE POOL AGREES TO PROVIDE THE MEMBER WITH THE FOLLOWING COVERAGES FOR WHICH A MEMBERSHIP FEE IS SHOWN, SUBJECT TO ALL THE TERMS AND CONDITIONS OF THE POOL'S INTERGOVERNMENTAL AGREEMENT AND THE APPLICABLE COVERAGE AGREEMENTS AND ENDORSEMENTS:

| <u>Coverages</u> | <u>Membership Fee</u> |
|--------------------|-----------------------|
| PROPERTY | \$ 38,734 |
| EXPENSE AND INCOME | \$ 0 |
| BUILDERS RISK | \$ 0 |

Item 5. MEMBERSHIP FEE IS DUE AND PAYABLE: Quarterly

Item 6. DEDUCTIBLES:

PROPERTY DEDUCTIBLE: \$ 1,000

Item 7. COVERAGE AGREEMENTS AND ENDORSEMENTS APPLICABLE TO ALL COVERAGES:

AZPCS (07/16) AZPCC (07/16) AZPC1 (07/17) AZEQ1 (07/16)

AZFL1 (07/16) AZPC1E2 (07/16)

Item 8. ADDITIONAL COVERAGE EXTENSIONS PROPERTY LIMITS

Extensions apply only if indicated and are subject to either shared or separate aggregate limits as indicated below.

| Type | List of Coverage, if applicable |
|--|---------------------------------|
| <u>Aggregate Shared Limit:</u> | \$250,000 |
| Property in Transit Your Motor Vehicle | (Inc. in above Agg.) |
| Accounts Receivable | (Inc. in above Agg.) |
| Computer Equipment | (Inc. in above Agg.) |
| Fine Arts | (Inc. in above Agg.) |
| Personal Effects and Property of Others | (Inc. in above Agg.) |
| Increased Costs of Construction | (Inc. in above Agg.) |
| Property Off-Premises | (Inc. in above Agg.) |
| Property Off-Premises Shipments | (Inc. in above Agg.) |
| Theft Damage to Buildings | (Inc. in above Agg.) |
| Valuable Papers and Records Costs of Research | (Inc. in above Agg.) |
| Organic Pathogens Sublimit | (Inc. in above Agg.) |
| Outdoor Property | (Inc. in above Agg.) |
| <u>Aggregate Separate Limits:</u> | |
| Data Security Breach | \$250,000 |
| Extra Expense and Income | \$250,000 |
| Flood | \$250,000 |
| Earthquake | \$250,000 |
| Newly Acquired or Constructed Property | See Form |

ARIZONA MUNICIPAL RISK RETENTION POOL MUNICIPAL PROPERTY SCHEDULE

Coverage Agreement Number: AZMC 2000169-1

MEMBER: San Luis, City Of

**COVERAGE AT EACH OF THE BELOW PREMISES APPLIES ONLY FOR THOSE TYPES OF PROPERTIES,
BUSINESS INCOME OR EXTRA EXPENSE FOR WHICH A LIMIT OF COVERAGE IS SHOWN.**

SCHEDULE OF PREMISES

| Premises No. | Location | Occupancy | Type of Property* | ACV RC ** | Premium | Limit of Coverage |
|--------------|---|--|-------------------|-----------|----------|-------------------|
| 1 | 767 N First Avenue San Luis, AZ 85349 | City Hall | B | | \$ 646 | \$ 845,630 |
| 1 | 767 N First Avenue San Luis, AZ 85349 | City Hall | C | | \$ 110 | \$ 100,000 |
| 2 | 731 N First Avenue San Luis, AZ 85349 | Library | B | | \$ 396 | \$ 518,090 |
| 2 | 731 N First Avenue San Luis, AZ 85349 | Library | C | | \$ 221 | \$ 200,000 |
| 3 | 707 N First Avenue San Luis, AZ 85349 | Maintenance Building Yard | B | | \$ 173 | \$ 176,130 |
| 3 | 707 N First Avenue San Luis, AZ 85349 | Maintenance Building Yard | C | | \$ 81 | \$ 50,000 |
| 4 | 734 N Second Avenue San Luis, AZ 85349 | Storage Bldg. | B | | \$ 24 | \$ 17,510 |
| 4 | 734 N Second Avenue San Luis, AZ 85349 | Storage Bldg. | C | | \$ 11 | \$ 5,000 |
| 5 | 720 N Second Avenue San Luis, AZ 85349 | Fire Department | B | | \$ 424 | \$ 555,170 |
| 5 | 720 N Second Avenue San Luis, AZ 85349 | Fire Department | C | | \$ 110 | \$ 100,000 |
| 6 | 785 N First Avenue San Luis, AZ 85349 | Modular Office - Finance, Admin | B | | \$ 464 | \$ 152,440 |
| 6 | 785 N First Avenue San Luis, AZ 85349 | Modular Office - Finance, Admin | C | | \$ 125 | \$ 25,000 |
| 7 | 767 N First Avenue San Luis, AZ 85349 | Police Department | B | | \$ 66 | \$ 60,000 |
| 8 | 720 N Second Avenue San Luis, AZ 85349 | Fire Department | B | | \$ 305 | \$ 398,610 |
| 9 | 101 W. Juan Sanchez Blvd. San Luis, AZ 85349 | Sewage Disposal Office | B | | \$ 36 | \$ 100,000 |
| 10 | 101 W. Juan Sanchez Blvd. San Luis, AZ 85349 | Elec. Power Transfer Station & 2 Generators/Sewage Disposal Store | B | | \$ 4 | \$ 12,000 |
| 10 | 101 W. Juan Sanchez Blvd. San Luis, AZ 85349 | Elec. Power Transfer Station & 2 Generators/Sewage Disposal Store | C | | \$ 269 | \$ 500,000 |
| 11 | 101 W. Juan Sanchez Blvd. San Luis, AZ 85349 | Sewage Plant | B | | \$ 2,950 | \$ 8,240,000 |
| 11 | 101 W. Juan Sanchez Blvd. San Luis, AZ 85349 | Sewage Plant | C | | \$ 537 | \$ 1,000,000 |
| 12 | 101 W. Juan Sanchez Blvd. San Luis, AZ 85349 | Laboratory & Admin Offices | B | | \$ 65 | \$ 182,310 |
| 13 | Well Site #1 - 788 E B Street San Luis, AZ 85349 | Well Site #1 Office | B | | \$ 37 | \$ 104,030 |

* B=Building
C=Contents
PIO=Property in the Open

BR=Builders Risk
EE=Income / Extra Expense

** ACV=Actual Cash Value
RC=Replacement Cost

ARIZONA MUNICIPAL RISK RETENTION POOL

MUNICIPAL PROPERTY SCHEDULE

Coverage Agreement Number: AZMC 2000169-1

MEMBER: San Luis, City Of

**COVERAGE AT EACH OF THE BELOW PREMISES APPLIES ONLY FOR THOSE TYPES OF PROPERTIES,
BUSINESS INCOME OR EXTRA EXPENSE FOR WHICH A LIMIT OF COVERAGE IS SHOWN.**

SCHEDULE OF PREMISES

| Premises No. | Location | Occupancy | Type of Property* | ACV RC ** | Premium | Limit of Coverage |
|--------------|--|--|-------------------|-----------------|---------|-------------------|
| 13 | Well Site #1 - 788 E B Street San Luis, AZ 85349 | Well Site #1 Office | C | | \$ 16 | \$ 30,000 |
| 14 | Well Site #1 - 788 E B Street San Luis, AZ 85349 | Storage Building | B | | \$ 9 | \$ 14,000 |
| 14 | Well Site #1 - 788 E B Street San Luis, AZ 85349 | Storage Building | C | | \$ 0 | \$ 10,000 |
| 15 | Well Site #1 - 788 E B Street San Luis, AZ 85349 | Chlorination Rooms | B | | \$ 4 | \$ 7,000 |
| 15 | Well Site #1 - 788 E B Street San Luis, AZ 85349 | Chlorination Rooms | C | | \$ 2 | \$ 3,000 |
| 16 | Well Site #1 - 788 E B Street San Luis, AZ 85349 | Chlorination Equipment | C | | \$ 5 | \$ 10,000 |
| 17 | Well Site #1 - 788 E B Street San Luis, AZ 85349 | 100,000 Gallon Tank | B | | \$ 27 | \$ 60,000 |
| 18 | Well Site #1 - 788 E B Street San Luis, AZ 85349 | 5,000 Gallon Pressure Tank | B | | \$ 3 | \$ 7,500 |
| 19 | Well Site #1 - 788 E B Street San Luis, AZ 85349 | Motors & Pumps | B | | \$ 19 | \$ 52,000 |
| 20 | Well Site #2 - 873 C.Chavez Street San Luis, AZ 85349 | Chlorination & 2 Storage Rooms | B | | \$ 8 | \$ 15,000 |
| 21 | Well Site #2 - 873 C.Chavez Street San Luis, AZ 85349 | Chlorination Equipment & Electric Panels | C | | \$ 13 | \$ 25,000 |
| 22 | Well Site #2 - 873 C.Chavez Street San Luis, AZ 85349 | 125,000 Gallon Tank | B | | \$ 36 | \$ 80,000 |
| 23 | Well Site #2 - 873 C.Chavez Street San Luis, AZ 85349 | 2-15,000 Gallon Tank | B | | \$ 4 | \$ 10,000 |
| 24 | Well Site #2 - 873 C.Chavez Street San Luis, AZ 85349 | 5,000 Gallon Pressure Tank | B | | \$ 3 | \$ 7,500 |
| 25 | Well Site #2 - 873 C.Chavez Street San Luis, AZ 85349 | 2,000 Gallon Pressure Tank | B | | \$ 1 | \$ 4,000 |
| 26 | Well Site #2 - 873 C.Chavez Street San Luis, AZ 85349 | Motors & Pumps | B | | \$ 19 | \$ 52,000 |
| 27 | Well Site #2 - 873 C.Chavez Street San Luis, AZ 85349 | Storage Bldg | B | | \$ 10 | \$ 7,000 |
| 27 | Well Site #2 - 873 C.Chavez Street San Luis, AZ 85349 | Storage Bldg | C | | \$ 34 | \$ 15,000 |
| 28 | Well Site #3 - 1309 B Street San Luis, AZ 85349 | Chlorinator Rooms | B | | \$ 10 | \$ 14,000 |
| 29 | Well Site #3 - 1309 B Street San Luis, AZ 85349 | Electric Submersible Turbine, Pumps, Tank, Motors | C | | \$ 91 | \$ 170,000 |
| 30 | Well Site #3 - 1309 B Street San Luis, AZ 85349 | Generator & Control Panel | C | | \$ 46 | \$ 85,000 |

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BR=Builders Risk
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RC=Replacement Cost

ARIZONA MUNICIPAL RISK RETENTION POOL MUNICIPAL PROPERTY SCHEDULE

Coverage Agreement Number: AZMC 2000169-1

MEMBER: San Luis, City Of

**COVERAGE AT EACH OF THE BELOW PREMISES APPLIES ONLY FOR THOSE TYPES OF PROPERTIES,
BUSINESS INCOME OR EXTRA EXPENSE FOR WHICH A LIMIT OF COVERAGE IS SHOWN.**

SCHEDULE OF PREMISES

| Premises No. | Location | Occupancy | Type of Property* | ACV RC ** | Premium | Limit of Coverage |
|--------------|---|--------------------------------------|-------------------|-----------|---------|-------------------|
| 31 | Well Site #3 - 1309 B Street San Luis, AZ 85349 | Storage Tank 300,000 Gallon | B | | \$ 67 | \$ 150,000 |
| 32 | Well Site #4 - 927 Pepp Dr. San Luis, AZ 85349 | Chemical Bldg. | B | | \$ 2 | \$ 5,000 |
| 32 | Well Site #4 - 927 Pepp Dr. San Luis, AZ 85349 | Chemical Bldg. | C | | \$ 2 | \$ 3,600 |
| 33 | Well Site #4 - 927 Pepp Dr. San Luis, AZ 85349 | 500,000 Gallon Tank | B | | \$ 90 | \$ 200,000 |
| 34 | Well Site #4 - 927 Pepp Dr. San Luis, AZ 85349 | 2-7500 Gallon Pressure Tank | B | | \$ 14 | \$ 32,000 |
| 35 | Well Site #4 - 927 Pepp Dr. San Luis, AZ 85349 | Pumps and Piping | C | | \$ 35 | \$ 65,000 |
| 36 | Well Site #4 - 927 Pepp Dr. San Luis, AZ 85349 | Generator & Electrical Panels | C | | \$ 46 | \$ 85,000 |
| 37 | Well Site #4 - 927 Pepp Dr. San Luis, AZ 85349 | Well Pump -75 Submersible Turbine | C | | \$ 6 | \$ 12,000 |
| 38 | 800 West Juan Sanchez Blvd. San Luis, AZ 85349 | Community Center | B | | \$ 955 | \$ 888,890 |
| 38 | 800 West Juan Sanchez Blvd. San Luis, AZ 85349 | Community Center | C | | \$ 32 | \$ 20,000 |
| 39 | Friendship Park - 460 Urtuzuastegui Stre San Luis, AZ 85349 | Equipment Storage Building | B | | \$ 38 | \$ 10,000 |
| 39 | Friendship Park - 460 Urtuzuastegui Stre San Luis, AZ 85349 | Equipment Storage Building | C | | \$ 0 | \$ 5,000 |
| 40 | Friendship Park - 460 Urtuzuastegui Stre San Luis, AZ 85349 | Restroom | B | | \$ 103 | \$ 15,000 |
| 41 | Friendship Park - 460 Urtuzuastegui Stre San Luis, AZ 85349 | Snack Bar | B | | \$ 6 | \$ 8,000 |
| 41 | Friendship Park - 460 Urtuzuastegui Stre San Luis, AZ 85349 | Snack Bar | C | | \$ 6 | \$ 5,000 |
| 42 | Joe Orduno Park - 965 Park Avenue San Luis, AZ 85349 | Restroom Building | B | | \$ 138 | \$ 20,000 |
| 42 | Joe Orduno Park - 965 Park Avenue San Luis, AZ 85349 | Restroom Building | C | | \$ 138 | \$ 20,000 |
| 43 | Joe Orduno Park - 965 Park Avenue San Luis, AZ 85349 | Ramadas (3) | B | | \$ 62 | \$ 6,000 |
| 44 | Joe Orduno Park - 965 Park Avenue San Luis, AZ 85349 | Recreation Center Gym | B | | \$ 441 | \$ 820,910 |

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ARIZONA MUNICIPAL RISK RETENTION POOL

MUNICIPAL PROPERTY SCHEDULE

Coverage Agreement Number: AZMC 2000169-1

MEMBER: San Luis, City Of

COVERAGE AT EACH OF THE BELOW PREMISES APPLIES ONLY FOR THOSE TYPES OF PROPERTIES, BUSINESS INCOME OR EXTRA EXPENSE FOR WHICH A LIMIT OF COVERAGE IS SHOWN.

SCHEDULE OF PREMISES

| Premises No. | Location | Occupancy | Type of Property* | ACV RC ** | Premium | Limit of Coverage |
|--------------|---|---|-------------------|-----------|----------|-------------------|
| 44 | Joe Orduno Park - 965 Park Avenue San Luis, AZ 85349 | Recreation Center Gym | C | | \$ 40 | \$ 50,000 |
| 45 | Joe Orduno Park - 965 Park Avenue San Luis, AZ 85349 | Aquatic Center & Pool | B | | \$ 4,193 | \$ 1,186,560 |
| 45 | Joe Orduno Park - 965 Park Avenue San Luis, AZ 85349 | Aquatic Center & Pool | C | | \$ 247 | \$ 70,000 |
| 46 | Joe Orduno Park - 965 Park Avenue San Luis, AZ 85349 | Babe Ruth Park -Lights, Fences, Dugout | B | | \$ 386 | \$ 52,000 |
| 47 | Joe Orduno Park - 965 Park Avenue San Luis, AZ 85349 | Playground Equipment | B | | \$ 85 | \$ 17,200 |
| 48 | Joe Cabello Park - 740 7th Avenue San Luis, AZ 85349 | Restroom | B | | \$ 83 | \$ 12,000 |
| 48 | Joe Cabello Park - 740 7th Avenue San Luis, AZ 85349 | Restroom | C | | \$ 69 | \$ 10,000 |
| 49 | Joe Cabello Park - 740 7th Avenue San Luis, AZ 85349 | Ramadas (2) | B | | \$ 59 | \$ 4,000 |
| 50 | Joe Cabello Park - 740 7th Avenue San Luis, AZ 85349 | Playground Equipment | B | | \$ 34 | \$ 7,000 |
| 51 | Various Locations San Luis, AZ 85349 | Misc. Off-Premises Bldgs. And Equip. | B | | \$ 273 | \$ 500,000 |
| 52 | 788 East B Street San Luis, AZ 85349 | Utilities Office/PW (old) | B | | \$ 278 | \$ 141,110 |
| 52 | 788 East B Street San Luis, AZ 85349 | Utilities Office/PW (old) | C | | \$ 97 | \$ 30,000 |
| 53 | Merrill Street - Lift Station San Luis, AZ 85349 | Pump Power Line & Force Main | B | | \$ 54 | \$ 150,000 |
| 54 | 790 E. Juan Sanchez Blvd. San Luis, AZ 85349 | Senior Center | B | | \$ 972 | \$ 905,370 |
| 55 | 800 E. Juan Sanchez Blvd. San Luis, AZ 85349 | Sunset Community Health Center | B | | \$ 393 | \$ 366,000 |
| 56 | 7th Ave., & Co 22nd st. San Luis, AZ 85349 | San Luis High School Lift Station | B | | \$ 54 | \$ 150,000 |
| 57 | 767 N. 1st Ave. San Luis, AZ 85349 | Communication/Dispatch Office | B | | \$ 56 | \$ 51,000 |
| 57 | 767 N. 1st Ave. San Luis, AZ 85349 | Communication/Dispatch Office | C | | \$ 16 | \$ 10,000 |
| 58 | 1015 North Main Street San Luis, AZ 85349 | Cultural Center | B | | \$ 348 | \$ 647,870 |
| 59 | 1015 North Main Street San Luis, AZ 85349 | Cultural Center Message Sign | B | | \$ 229 | \$ 31,000 |
| 60 | 1311 N. 4th Avenue Well Site #5 San Luis, AZ 85349 | Bldg. | B | | \$ 136 | \$ 249,260 |

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ARIZONA MUNICIPAL RISK RETENTION POOL MUNICIPAL PROPERTY SCHEDULE

Coverage Agreement Number: AZMC 2000169-1

MEMBER: San Luis, City Of

**COVERAGE AT EACH OF THE BELOW PREMISES APPLIES ONLY FOR THOSE TYPES OF PROPERTIES,
BUSINESS INCOME OR EXTRA EXPENSE FOR WHICH A LIMIT OF COVERAGE IS SHOWN.**

SCHEDULE OF PREMISES

| Premises No. | Location | Occupancy | Type of Property* | ACV RC ** | Premium | Limit of Coverage |
|--------------|--|--|-------------------|-----------|----------|-------------------|
| 61 | 1311 N. 4th Avenue Well Site #5 San Luis, AZ 85349 | 1 million Gallon Water Tank | B | | \$ 134 | \$ 300,000 |
| 62 | 1311 N. 4th Avenue Well Site #5 San Luis, AZ 85349 | 3 Pumps | C | | \$ 28 | \$ 52,000 |
| 63 | 1311 N. 4th Avenue Well Site #5 San Luis, AZ 85349 | 2 Hydrostatic 7500 Gal Tanks | B | | \$ 9 | \$ 20,000 |
| 64 | 1311 N. 4th Avenue Well Site #5 San Luis, AZ 85349 | Mobile Home 16' x 56' (1988 Cavco #1110) | B | | \$ 53 | \$ 17,500 |
| 65 | 1872 3rd Ave. Gadsden San Luis, AZ 85349 | Lift Station in Gadsden | C | | \$ 81 | \$ 150,000 |
| 66 | 1670 San pedro Street San Luis, AZ 85349 | Lift Station w/generator Los Olivos | C | | \$ 81 | \$ 150,000 |
| 67 | 1542 Ocotillo St. #384A San Luis, AZ 85349 | Lift Station Rio Seco | C | | \$ 81 | \$ 150,000 |
| 68 | Youth Center San Luis, AZ 85349 | Youth Center | B | | \$ 601 | \$ 800,000 |
| 68 | Youth Center San Luis, AZ 85349 | Youth Center | C | | \$ 11 | \$ 10,000 |
| 69 | Price Center - 580 San Luis Plaza Dr. San Luis, AZ 85349 | Price Center | B | | \$ 3,383 | \$ 4,500,000 |
| 69 | Price Center - 580 San Luis Plaza Dr. San Luis, AZ 85349 | Price Center | C | | \$ 56 | \$ 50,000 |
| 70 | East Mesa WWTP San Luis, AZ 85349 | East Mesa WWTP | B | | \$ 2,654 | \$ 7,413,000 |
| 71 | 385 N. Ave. F & 1/2 San Luis, AZ 85349 | Well #7 1 million gal water tank | B | | \$ 16 | \$ 35,000 |
| 72 | 1090 E. Union Street San Luis, AZ 85349 | * New City Hall | B | | \$ 5,255 | \$ 4,812,900 |
| 72 | 1090 E. Union Street San Luis, AZ 85349 | * New City Hall | C | | \$ 315 | \$ 200,000 |
| 73 | 1030 E. Union Street San Luis, AZ 85349 | * New Police Station | B | | \$ 4,477 | \$ 4,099,900 |
| 73 | 1030 E. Union Street San Luis, AZ 85349 | * New Police Station | C | | \$ 236 | \$ 150,000 |
| 74 | 1165 N. McCain Street San Luis, AZ 85349 | * New Fire Station | B | | \$ 2,617 | \$ 2,396,550 |
| 74 | 1165 N. McCain Street San Luis, AZ 85349 | * New Fire Station | C | | \$ 236 | \$ 150,000 |

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ARIZONA MUNICIPAL RISK RETENTION POOL MUNICIPAL PROPERTY COVERAGE AGREEMENT

MUNICIPAL PROPERTY CONDITIONS

THE FOLLOWING CONDITIONS APPLY TO EACH MUNICIPAL PROPERTY COVERAGE AGREEMENT UNDER **APPENDIX A**, IN ADDITION TO THE COMMON CONDITIONS AND ANY LOSS CONDITIONS OR ADDITIONAL CONDITIONS APPLICABLE TO THE PARTICULAR COVERAGE AGREEMENT.

A. CONTROL OF PROPERTY

Any act or neglect of any person, other than the "Named Member," beyond the "Named Member's" direction or control will not affect this coverage.

The breach of any condition under this coverage at any one or more locations will not affect coverage at any location where, at the time of loss or damage, the breach of condition does not exist.

B. COVERAGE UNDER TWO OR MORE COVERAGE AGREEMENTS

If two or more coverage agreements apply to the same loss or damage, the Pool will not pay more than the actual amount of the loss or damage.

C. LEGAL ACTION AGAINST THE POOL

No one may bring a legal action against the Pool under this coverage unless:

1. There has been full compliance with all of the terms of the coverage; and
2. The action is brought within 2 years after the date on which the direct physical loss of damage occurred.

D. NO BENEFIT TO BAILEE

No person or organization, other than the "Named Member," having custody of Covered Property will benefit from this coverage.

E. LIBERALIZATION

If the Pool adopts any revision without any additional membership fee which broadens coverage within 45 days after the "Named Member's" coverage period begins, the benefit of such revision shall inure to the "Named Member" as though an endorsement or substitution of a coverage had been made.

F. COVERAGE PERIOD, COVERAGE TERRITORY

Under this coverage:

1. The Pool covers loss or damage commencing:
 - a. During the coverage period shown in the Declarations; and
 - b. Within the coverage territory.
2. The coverage territory is:
 - a. The United States of America (including its territories and possessions); and
 - b. Canada



ARIZONA MUNICIPAL RISK RETENTION POOL MUNICIPAL PROPERTY COVERAGE AGREEMENT

MUNICIPAL BUILDING AND PERSONAL PROPERTY COVERAGE

VARIOUS PROVISIONS IN THIS MUNICIPAL BUILDING AND PERSONAL PROPERTY COVERAGE POLICY RESTRICT COVERAGE. READ THE ENTIRE POLICY CAREFULLY TO DETERMINE RIGHTS, DUTIES AND WHAT IS OR IS NOT COVERED.

WORDS AND PHRASES THAT APPEAR IN QUOTATIONS HAVE SPECIAL MEANING. REFER TO **SECTION K – DEFINITIONS AND COMMON CONDITIONS**.

A. COVERAGE

The Pool will pay for direct physical loss of or damage to Covered Property (as defined below) at the premises described in the Declarations caused by or resulting from any Covered Cause of Loss.

1. Covered Property

Covered Property, as used in this coverage form, means the following types of the "Named Member's" property for which a limit of coverage is shown in the Declarations:

- a. Building, meaning the building or structure described in the Declarations, including:
 - 1) Completed additions;
 - 2) Permanently installed fixtures, machinery and equipment;
 - 3) Outdoor fixtures;
 - 4) Personal property owned by the "Named Member" that is used to maintain or service the building or structure or its premises, including:
 - a) Fire extinguishing equipment;
 - b) Outdoor furniture;
 - c) Floor coverings; and
 - d) Appliances used for refrigerating, ventilating, cooking, dishwashing or laundering;
 - 5) If not covered by other insurance:
 - a) Additions under construction, alterations and repairs to the building or structure;
 - b) Materials, equipment, supplies and temporary structures, on or within 1000 feet of the described building, used for making additions, alterations or repairs to the building or structure.

- b. The "Named Member's" Municipal Personal Property located in or on the building described in the Declarations or in the open (or in a vehicle) within 1000 feet of the described building, consisting of the following:
 - 1) Furniture and fixtures;
 - 2) Machinery and equipment;
 - 3) "Stock";
 - 4) All other personal property owned by the "Named Member" and used in the "Named Member's" municipal operations;
 - 5) Labor, materials or services furnished or arranged by the "Named Member" on personal property of others; and
 - 6) The "Named Member's" use interest as tenant in improvements and betterments. Improvements and betterments are fixtures, alterations, installations or additions:
 - a) Made a part of the building or structure the "Named Member" occupies but does not own; and
 - b) The "Named Member" acquired or made at the "Named Member's" expense but cannot legally remove.
- c. Personal Property of Others that is:
 - 1) In the "Named Member's" care, custody or control; and
 - 2) Located in or on the building described in the Declarations or in the open (or in a vehicle) within 1000 feet of the described building.

However, the Pool's payment for loss of or damage to personal property of others will only be for the account of the owner of the property.

2. Property Not Covered

Covered Property does not include:

- a. Accounts, bills, currency, deeds, evidences of debt, money, notes or securities;
- b. Animals;
- c. Automobiles held for sale;
- d. Bridges, roadways, walks, patios or other paved surfaces;
- e. Contraband, or property in the course of illegal transportation or trade;
- f. The cost of excavations, grading, backfilling or filling;
- g. Foundations of buildings, structures, machinery or boilers if their foundations are below:
 - 1) The lowest basement floor; or
 - 2) The surface of the ground, if there is no basement;
- h. Land (including land on which the property is located), water growing crops or lawns;
- i. Personal property while airborne or waterborne;

- j. Pilings, piers, wharves or docks;
- k. Property that is covered under another coverage agreement of the Pool or any other policy in which it is more specifically described, except for the excess of the amount due (whether the "Named Member" can collect on it or not) from that other insurance;
- l. Retaining walls that are not part of the building described in the Declarations;
- m. Underground pipes, flues or drains;
- n. The cost to research, replace or restore the information on valuable papers and records, including those which exist on electronic or magnetic media, except as provided in the Coverage Extensions;
- o. Drones;
- p. Vehicles of self-propelled machines (including aircraft or watercraft) that:
 - 1) Are licensed for use on public roads; or
 - 2) Are operated principally away from the described premises.

This paragraph does not apply to:

- a) Vehicles or self-propelled machines or autos the "Named Member" manufactures, processes or warehouses;
 - b) Vehicles or self-propelled machines, other than autos, the "Named Member" holds for sale; or
 - c) Rowboats or canoes out of water at the described premises.
- q. The following property while outside of buildings:
 - 1) Grain, hay, straw or other crops;
 - 2) Fences, radio or television antennas, including their lead-in wiring, masts or towers, signs (other than signs attached to buildings), trees, shrubs or plants, all except as provided in the Coverage Extensions.
 - r. Animals and inland marine equipment are covered under another policy.

3. Covered Causes of Loss

Covered Causes of Loss means DIRECT PHYSICAL LOSS unless the loss is:

- a. Excluded in Section B., Exclusions; or
- b. Limited in Section C., Limitations; that follow or for which coverage is otherwise precluded in this form.

B. EXCLUSIONS

- 1. The Pool will not pay for loss or damage caused directly or indirectly by or resulting from any of the following. The loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss:

a. Ordinance or Law

The enforcement of any ordinance or law:

- 1) Regulating the construction, use or repair of any property; or
- 2) Requiring the tearing down of any property, including the cost of removing its debris.

This exclusion, Ordinance or Law, applies whether the loss results from:

- 1) An ordinance or law that is enforced even if the property has not been damaged; or
- 2) The increased costs incurred to comply with an ordinance or law in the course of construction, repair, renovation, remodeling or demolition of property, or removal of its debris, following a physical loss to that property.

b. Earth Movement

- 1) Any earth movement (other than sinkhole collapse), such as an earthquake, landslide, mine subsidence or earth sinking, rising or shifting. But if earth movement results in fire or explosion, we will pay for the loss or damage caused by that fire or explosion.
- 2) Volcanic eruption, explosion or effusion. But if volcanic eruption, explosion or effusion results in fire, building glass breakage or Volcanic Action, we will pay for the loss or damage caused by that fire, building glass breakage or Volcanic Action.

Volcanic action means direct loss or damage resulting from the eruption of a volcano when the loss or damage is caused by:

- a) Airborne volcanic blast or airborne shock waves;
- b) Ash, dust or particulate matter; or
- c) Lava flow.

All volcanic eruptions that occur within any 168-hour period will constitute a single occurrence.

Volcanic action does not include the cost to remove ash, dust or particulate matter that does not cause direct physical loss or damage to the described property.

c. Governmental Action

Seizure or destruction of property by order of governmental authority.

But we will pay for loss or damage caused by or resulting from acts of destruction ordered by governmental authority and taken at the time of a fire to prevent its spread, if the fire would be covered under this Policy Part.

d. Nuclear Hazard

Nuclear reaction or radiation, or radio-active contamination, however caused.

But if nuclear reaction or radiation, or radioactive contamination, results in fire, we will pay for the loss or damage caused by that fire.

e. Utility Services

The failure of power or other utility service supplied to the described premises, however caused, if the failure occurs away from the described premises.

But if the failure of power or other utility service results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause of Loss.

f. War and Military Action

- 1) War, including undeclared or civil war;
- 2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- 3) Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.

g. Water

- 1) Flood, surface water, waves, tides, tidal waves, overflow of any body of water, or their spray, all whether driven by wind or not;
- 2) Mudslide or mudflow;
- 3) Water that backs up or overflows from a sewer, drain or sump; or
- 4) Water under the ground surface pressing on, or flowing or seeping through:
 - a) Foundations, walls, floors or paved surfaces;
 - b) Basements, whether paved or not; or
 - c) Doors, windows or other openings.

But, if Water, as described in g.(1) through g.(4) above, results in fire, explosion or sprinkler leakage, we will pay for the loss or damage caused by that fire, explosion or sprinkler leakage.

2. The Pool will not pay for loss or damage caused by or resulting from any of the following:

- a. Artificially generated electrical current, including electric arcing, that disturbs electrical devices, appliances or wires.

But, if artificially generated electrical current results in fire, we will pay for the loss or damage caused by that fire.

- b. Delay, loss of use or loss of market.
- c. Smoke, vapor or gas from agricultural smudging or industrial operations.
- d.
 - (1) Wear and tear;
 - (2) Rust, corrosion, decay, deterioration, hidden or latent defect or any quality in property that causes it to damage or destroy itself;
 - (3) Smog;
 - (4) Settling, cracking, shrinking or expansion;

- 5) Nesting or infestation, or discharge or release of waste products or secretions, by insects, birds, rodents or other animals;
- 6) Mechanical breakdown, including rupture or bursting caused by centrifugal force. But if mechanical breakdown results in elevator collision, we will pay for the loss or damage caused by that elevator collision; or
- 7) The following causes of loss to personal property:
 - a) Dampness or dryness of atmosphere,
 - b) Changes in or extremes of temperature, or
 - c) Marring or scratching.

But, if an excluded cause of loss that is listed in 2.d.(1) through 2.d.(6) results in a "specified cause of loss" or building glass breakage, we will pay for the loss or damage caused by that "specified cause of loss" or building glass breakage.

e. Organic Pathogen

The actual, alleged, or threatened inhalation, ingestion, contact with, exposure to, discharge, disposal, seepage, migration, release or escape of any "organic pathogen."

Organic pathogen means any bacterium virus, fungus, mold, mildew, mycotoxin, spore, or their by-products.

This exclusion is not applicable only in the circumstance described in the Organic Pathogen sublimit.

- f. Explosion of steam boilers, steam pipes, steam engines or steam turbines owned or leased by you, or operated under your control. But if explosion of steam boilers, steam pipes, steam engines or steam turbines results in fire or combustion explosion, we will pay for the loss or damage caused by that fire or combustion explosion unless it is covered under another policy. We will also pay for loss or damage caused by or resulting from the explosion of gases or fuel within the furnace of any fired vessel or within the flues or passages through which the gases of combustion pass.
- g. Continuous or repeated seepage or leakage of water that occurs over a period of 14 days or more.
- h. Water, other liquids, powder or molten material that leaks or flows from plumbing, heating, air conditioning or other equipment (except fire protective systems) caused by or resulting from freezing, unless:
 - 1) You do your best to maintain heat in the building or structure; or
 - 2) You drain the equipment and shut off the supply if the heat is not maintained.
- i. Dishonest or criminal act by the "Named Member", any of its partners, employees (including leased employees), directors, trustees, authorized representatives or anyone to whom the "Named Member" entrust the property for any purpose:
 - 1) Acting alone or in collusion with others; or
 - 2) Whether or not occurring during the hours of employment.

This exclusion does not apply to acts of destruction by the "Named Member's" employees (including leased employees); but theft by employees (including leased employees) is not covered.

- j. Voluntary parting with any property by you or anyone else to whom the "Named Member" has entrusted the property if induced to do so by any fraudulent scheme, trick, device or false pretense.
 - k. Rain, snow, ice or sleet to personal property in the open.
 - l. Collapse, except as provided below in the Additional Coverage for Collapse. But if collapse results in a Covered Cause of Loss at the described premises, we will pay for the loss or damage caused by that Covered Cause of Loss.
 - m. Discharge, dispersal, seepage, migration, release or escape of "pollutants" unless the discharged, dispersal, seepage, migration, release or escape is itself caused by any of the "specified causes of loss." But if the discharge, dispersal, seepage, migration, release or escape of "pollutants" results in a "specified cause of loss," we will pay for the loss or damage caused by that "specified cause of loss."
3. We will not pay for loss or damage caused by or resulting from any of the following, 3.a. through 3.c. But if an excluded cause of loss that is listed in 3.a. through 3.f. results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause of Loss.
- a. Weather conditions. But this exclusion only applies if weather conditions contribute in any way with a cause or event excluded in paragraph 1. above to produce the loss or damage.
 - b. Acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body.
 - c. Faulty, inadequate or defective:
 - 1) Planning, zoning, development, surveying, siting;
 - 2) Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;
 - 3) Materials used in repair, construction, renovation or remodeling; or
 - 4) Maintenance;
 of part or all of any property on or off the described premises.
 - d. Contractual Liability

We will not pay damages that the "Named Member" is legally liable to pay, solely by reason of your assumption of liability in a contract or agreement. But this exclusion does not apply to a written lease agreement in which the "Named Member" has assumed liability for building damage resulting from an actual or attempted burglary or robbery, provided that:

 - 1) Your assumption of liability was executed prior to the accident; and
 - 2) The building is Covered Property under this Coverage Form.
 - e. Nuclear Hazard

We will not pay any damages, loss, expense or obligation, resulting from nuclear reaction or radiation, or radioactive contamination, however caused.
 - f. Loss or Damage to Products

We will not pay for loss or damage to any merchandise, goods or other product caused by or resulting from error or omission by an person or entity (including those having possession under an arrangement where work or a portion of the work is outsourced) in

any stage of the development, production or use of the product, including planning, testing, processing, packaging, installation, maintenance or repair. This exclusion applies to any effect that compromises the form, substance or quality of the product. But if such error or omission results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause of Loss.

C. LIMITATIONS

The following limitations apply to all policy forms and endorsements, unless otherwise stated.

1. We will not pay for loss of or damage to property as described and limited in this section. In addition, we will not pay for any loss that is a consequence of loss or damage as described and limited in this section.
 - a. Steam boilers, steam pipes, steam engines or steam turbines caused by or resulting from any condition or event inside such equipment. But we will pay for loss of or damage to such equipment caused by or resulting from an explosion of gases or fuel within the furnace of any fired vessel or within the flues or passages through which the gases of combustion pass.
 - b. Hot water boilers or other water heating equipment caused by or resulting from any condition or event inside such boilers or equipment, other than an explosion.
 - c. The interior of any building or structure, or to personal property in the building or structure, caused by or resulting from rain, snow, sleet, ice, sand or dust, whether driven by wind or not, unless:
 - 1) The building or structure first sustains damage by a Covered Cause of Loss to its roof or walls through which the rain, snow, sleet, ice, sand or dust enters; or
 - 2) The loss or damage is caused by or results from thawing of snow, sleet or ice on the building or structure.
 - d. Building materials and supplies not attached as part of the building or structure, caused by or resulting from theft.

However, this limitation does not apply to:

 - 1) Building materials and supplies held for sale by you, unless they are covered under the Builders Risk Coverage Form; or
 - 2) Income or Expense coverage.
 - e. Property that is missing, where the only evidence of the loss or damage is a shortage disclosed on taking inventory, or other instances where there is no physical evidence to show what happened to the property.
 - f. Gutters and downspouts caused by or resulting from weight of snow, ice or sleet.
 - g. Property that has been transferred to a person or to a place outside the described premises on the basis of unauthorized instructions.
2. We will not pay more than \$500 in any one occurrence for loss of or damage to glass that is part of a building or structure, regardless of the number of panes, plates or similar units of glass. Subject to this \$500 aggregate, we will not pay more than \$100 for any one pane, plate, multiple plate insulating unit, radiant or solar heating panel, jalousie, louver or shutter.

However, this limitation does not apply to:

- a. Loss or damage by the "specified causes of loss," except vandalism; or

- b. Income or Expense coverage.
3. We will not pay for loss of or damage to the following types of property unless caused by the "specified causes of loss" or building glass breakage:
- a. Valuable papers and records, such as books of account, manuscripts, abstracts, drawings, card index systems, film, tape, disc, drum, cell or other data processing, recording or storage media, and other records.
 - b. Animals, and then only if they are killed or their destruction is made necessary.
 - c. Fragile articles such as glassware, statuary, marbles, chinaware and porcelains, if broken. This restriction does not apply to:
 - 1) Glass that is part of a building or structure;
 - 2) Containers of property held for sale; or
 - 3) Photographic or scientific instrument lenses.
 - d. Builders' machinery, tools and equipment owned by you or entrusted to you, provided such property is Covered Property.
- However, this limitation does not apply:
- 1) If the property is located on or within 1000 feet of the described premises, unless the premises is covered under the Builders' Risk Coverage Form; or
 - 2) To Income or Expense coverage.

4. The special limit shown for each category, a. through d., is the total limit for loss of or damage to all property in that category. The special limit applies to any one occurrence of theft, regardless of the types or number of articles that are lost or damaged in that occurrence. The special limits are:
- a. \$2,500 for furs, fur garments and garments trimmed with fur.
 - b. \$2,500 for jewelry, watches, watch movements, jewels, pearls, precious and semi-precious stones, bullion, gold, silver, platinum and other precious alloys or metals. This limit does not apply to jewelry and watches worth \$100 or less per item.
 - c. \$2,500 for patterns, dies, molds and forms.
 - d. \$250 for stamps, tickets, including lottery tickets held for sale, and letters of credit.

These special limits are part of, not in addition to, the Limit of Coverage applicable to the Covered Property.

This limitation, C.4., does not apply to Income or Expense coverage.

5. We will not pay the cost to repair any defect to a system or appliance from which water, other liquid, powder or molten material escapes. But we will pay the cost to repair or replace damaged parts of fire extinguishing equipment if the damage:
- a. Results in discharge of any substance from an automatic fire protection system; or
 - b. Is directly caused by freezing.

However, this limitation does not apply to Income coverage or to Expense coverage.

6. We will not pay any loss or damage to any property covered under the Builders Risk Coverage Form under this Form.

D. ADDITIONAL COVERAGE – COLLAPSE

The term Covered Cause of Loss includes the Additional Coverage – Collapse as described and limited in D.1 through D.5. below.

1. We will pay for direct physical loss or damage to Covered Property, caused by collapse of a building or any part of a building covered under this Coverage Form, if the collapse is caused by one or more of the following:
 - a. The "specified causes of loss" or breakage of building glass, all only as covered against in this Coverage Part;
 - b. Hidden decay;
 - c. Hidden insect or vermin damage;
 - d. Weight of people or personal property;
 - e. Weight of rain that collects on a roof;
 - f. Use of defective material or methods in construction, remodeling or renovation if the collapse occurs during the course of the construction, remodeling or renovation. However, if the collapse occurs after construction, remodeling or renovation is complete and is caused in part by a cause of loss listed in D.1.a. through D.1.e., we will pay for the loss or damage even if use of defective material or methods, in construction, remodeling or renovation, contributes to the collapse.
2. If the direct physical loss or damage does not involve collapse of a building or any part of a building, we will pay for loss or damage to Covered Property caused by the collapse of personal property only if:
 - a. The personal property which collapses is inside a building; and
 - b. The collapse was caused by a cause of loss listed in D.1.a. through D.1.f. above.
3. With respect to the following property:
 - a. Outdoor radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers;
 - b. Awnings, gutters and downspouts;
 - c. Yard fixtures;
 - d. Outdoor swimming pools;
 - e. Fences;
 - f. Piers, wharves and docks;
 - g. Beach or diving platforms or appurtenances;
 - h. Retaining walls; and
 - i. Walks, roadways and other paved surfaces;

if the collapse is caused by a cause of loss listed in D.1.a. through D.1.f., we will pay for loss or damage to that property only if:

- j. Such loss or damage is a direct result of the collapse of a building covered under this Coverage Form; and
 - k. The property is Covered Property under this Coverage Form.
4. Collapse does not include settling, cracking, shrinkage, bulging or expansion.
5. This Additional Coverage – Collapse, will not increase the Limits of Coverage provided in this Coverage Part.

E. ADDITIONAL COVERAGE EXTENSIONS

The most the Pool will pay for all loss or expense first sustained or incurred during the policy period under Coverage Extensions 1 through 14 is \$250,000 in the aggregate.

1. Property in Transit – Your Motor Vehicle.

This Extension applies only to your personal property to which this form applies.

- a. You may extend the coverage provided by this Coverage part to apply to your personal property (other than property in the care, custody or control of your salespersons) in transit more than 1000 feet from the described premises. Property must be in or on a motor vehicle you own, lease or operate while between points in the coverage territory.
- b. Loss or damage must be caused by or result from one of the following causes of loss:
 - 1) Fire, lightning, explosion, windstorm or hail, riot or civil commotion, or vandalism.
 - 2) Vehicle collision, upset or overturn. Collision means accidental contact of your vehicle with another vehicle or object. It does not mean your vehicle's contact with the road bed.
 - 3) Theft of an entire bale, case or package by forced entry into a securely locked body or compartment of the vehicle. There must be visible marks of the forced entry.

The most we will pay for loss or damage under Coverage Extensions in paragraphs 1 through 14 is \$250,000 in the aggregate.

This Coverage Extension is additional coverage. The Additional Condition, Coinsurance, does not apply to this Extension.

2. Accounts Receivable

The "Named Member" may extend the "Named Member's" coverage under Municipal Personal Property to apply to:

- a. All amounts due from the "Named Member's" customers that the "Named Member" is unable to collect;
- b. Interest charges on any loan required to offset amounts the "Named Member" is unable to collect pending the Pool's payment of these amounts;
- c. Collection expenses in excess of the "Named Member's" normal collection expenses that are made necessary by the loss or damage; and
- d. Other reasonable expenses that the "Named Member" incurs to reestablish the "Named Member's" Records of Accounts Receivable;

that result from direct physical loss or damage to the "Named Member's" Records of Accounts Receivable.

The most the Pool will pay under Coverage Extensions in paragraphs 1 through 14 is \$250,000 in the aggregate.

3. Computer Equipment

a. The "Named Member" may extend the "Named Member's" coverage under Municipal Personal Property to apply to:

1) Computer equipment and related component parts that are:

a) The "Named Member's" property; or

b) The property of others that is in the "Named Member's" care, custody or control;

2) The "Named Member's" instructional material and prepackaged software programs purchased for use with the "Named Member's" computer system;

3) The "Named Member's" blank electronic or magnetic media.

b. Exclusions 1.e., 2.a., 2.d.(6) and 2.d.(7) do not apply to this Extension.

c. The most the Pool will pay for direct physical loss or damage under Coverage Extensions in paragraphs 1 through 14 is \$250,000 in the aggregate.

The Pool's payment of loss or damage to property of others will only be for the account of the owner of the property.

4. Fine Arts

The "Named Member" may extend the coverage applying to the "Named Member's" Municipal Personal Property to apply to Fine Arts that are:

a. The "Named Member's" property; or

b. The property of other that is in the "Named Member's" care, custody or control.

As used in this Extension, Fine Arts means paintings, etchings, pictures, tapestries, art, glass windows, valuable rugs, statuary, marble, bronze, antique silver, manuscripts, porcelain, rare glass, bric-a-brac, and similar property of rarity, historical value or artistic merit.

The value of Fine Arts will be the market value at the time of direct physical loss or damage.

The most the Pool will pay for direct physical loss or damage under Coverage Extensions in paragraphs 1 through 14 is \$250,000 in the aggregate.

The Pool's payment for loss or damage to property of others will only be for the account of the owner of the property.

5. Foundations of Machines and Underground Pipe

The following are added as covered Building property:

a. Foundations of machinery if their foundations are below:

1) The lowest basement floor; or

2) The surface of the ground, if there is no basement; or

- b. Underground pipes, tanks, and connections within 1000 feet of the building.

The most the Pool will pay under Coverage Extensions in paragraphs 1 through 14 is \$250,000 in the aggregate.

6. Increased Cost of Construction

If a Covered Cause of Loss occurs to covered Building property at described premises, the Pool will pay the increased cost to repair, rebuild, or construct the damaged property caused by enforcement of building, zoning, land use ordinance or law. The repaired or rebuilt property must be intended for similar occupancy as the current property, unless otherwise required by zoning or land use ordinance or law. The Pool will not pay for increased construction costs:

- a. When Actual Cash Value applies under the valuation loss condition; or
- b. Until the property is totally repaired or replaced at the same or another premises.

The Pool will not pay the costs associated with the enforcement of any ordinance or law which requires any "Named Member" or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants".

The most the Pool will pay for loss under Coverage Extensions in paragraphs 1 through 14 is \$250,000 in the aggregate.

7. Personal Effects and Property of Others

The "Named Member" may extend the coverage that applies to the "Named Member's" Municipal Personal Property to apply to:

- a. Personal effects owned by the "Named Member"," the "Named Member's" officials or the "Named Member's" employees. This includes tools owned by the "Named Member's" employees that are used in the "Named Member's" operations; and
- b. Personal property of others that is in the "Named Member's" care, custody or control. This includes property that the "Named Member" has sold and are awaiting delivery or installation.

The most the Pool will pay for loss or damage under Coverage Extensions in paragraphs 1 through 14 is \$250,000 in the aggregate. The Pool's payment for loss or damage to property of others will only be for the account of the owner of the property.

8. Premises Boundary Increased Distance

The references to distances from the described premises are increased to 1,000 feet.

9. Property Off-Premises

- a. The "Named Member" may extend the coverage that applies to:
 - 1) Municipal Personal Property;
 - 2) Personal Effects and Property of Others;
 - 3) Computer Equipment; and
 - 4) Valuable Papers and Records including Electronic or Magnetic Media - Cost of Research

to apply to any premises not described in the Declarations. This includes property that the "Named Member" has sold under an installation agreement and the "Named Member's" responsibility continues until the property is accepted.

The most the Pool will pay under Coverage Extensions in paragraphs 1 through 14 is \$250,000 in the aggregate.

- b. This Extension does not apply to:
 - 1) Property in the care, custody or control of the "Named Member's" salespersons; or
 - 2) Property at any fair or exhibition.

10. Property In Transit - Shipments

- a. The "Named Member" may extend the coverage that applies to:
 - 1) Municipal Personal Property;
 - 2) Personal Effects and Property of Others;
 - 3) Computer Equipment; and
 - 4) Valuable Papers and Records including Electronic or Magnetic Media - Cost of Research

to apply to shipments of that property while in transit at the "Named Member's" risk, by motor vehicle, railroad car or aircraft, between points within the coverage territory. This includes property the "Named Member" has sold and the "Named Member's" responsibility continues until the property is delivered.

- b. This Extension also applies to:
 - 1) Expenses to Inspect, Repackage and Reship Damaged Property

The necessary additional expenses incurred to inspect, repackage and reship property damaged as a result of covered Cause of Loss;
 - 2) F.O.B. Shipments

Outgoing shipments where the risk of loss or damage is verified to the buyer when such property leaves the "Named Member's" premises.

The "Named Member" must use all reasonable means to collect the amount due the "Named Member" from the buyer before making a claim under this Extension.

The Pool will not make payments under this Extension until the "Named Member" grants the Pool a right of recovery against the buyer.
 - 3) Loading and Unloading

Shipments during loading or unloading and unloading and within 1000 feet of any transporting conveyance.
 - 4) Return Shipments

Outgoing shipments, which have been rejected by the consignee or are not deliverable, while:

 - a) In due course of transit, being returned to the "Named Member"; or

- b) Up to 10 days after delivery or attempted delivery awaiting return shipment to the "Named Member".
- c. Under this Extension, the Pool will not pay for:
 - 1) Property in the care, custody or control of the "Named Member's" salespersons;
 - 2) Mail shipments in the custody of the U.S. Postal Services; or
 - 3) Property of others for which the "Named Member" is responsible as:
 - a) A carrier for hire; or
 - b) A car loader, consolidator, broker, freight forwarder, shipping organization or other arranger of transportation.
- d. The following exclusions do not apply to this Extension:
 - 1) 2.j., as respects loss or damage caused by your good faith acceptance of false bills of lading or shipping receipts.
- e. The following additional exclusion applies to this Extension:

The Pool will not pay for loss or damage caused by or resulting from poor or insufficient packaging or packing.
- f. The following additional condition applies to this Extension:

The Pool will not pay for loss or damage if the "Named Member" impairs the Pool's rights to recover from any carrier for hire. But, the "Named Member" may accept from carriers for hire bills of lading, receipts or confirmation of transportation which contain a limitation of value.

The most the Pool will pay under Coverage Extensions in paragraphs 1 through 14 is \$250,000 in the aggregate.

The Pool's payment for loss or damage to property of others will only be for the account of the owner of the property.

11. Theft Damage to Buildings

The "Named Member" may extend the coverage that applies to the "Named Member's" Municipal Personal Property to apply to damage caused directly by theft or attempted theft to that part of any building containing Covered Property or equipment with the building used to maintain or service the building.

Under this Extension, the Pool will not pay for damage caused by fire, or to glass or to lettering or artwork on glass.

This Extension applies only to premises where the "Named Member" is a tenant and are legally liable for such damage.

The most the Pool will pay under Coverage Extensions in paragraphs 1 through 14 is \$250,000 in the aggregate.

12. Valuable Papers and Records – Cost of Research

- a. The "Named Member" may extend the coverage that applies to the "Named Member's" Municipal Personal Property to apply to the "Named Member's" costs to research, replace, or restore the lost information for which duplicates do not exist on lost or damaged:

- 1) Valuable Papers and Records, including those which exist on Electronic and Magnetic Media that are:
 - a. The "Named Member's" property; or
 - b. The property of others that is in the "Named Member's care, custody or control; and
- 2) Project Research and Development Documentation, including that used to replace prototypes that are:
 - a. The "Named Member's" property; or
 - b. The property of others that is in the "Named Member's" care, custody or control. and for which duplicates do not exist.
- b. The limitation C.3.a does not apply to this Extension.
- c. Exclusions 1.e., 2.a., 2.d.(6) and 2.d.(7) do not apply to this Extension.

The most the Pool will pay under Coverage Extensions in paragraphs 1 through 14 is \$250,000 in the aggregate.

13. Organic Pathogen Sublimit

- a. This Extension does not apply to the following:
 1. The "Named Member's" Municipal Personal Property
 2. Personal Property of Others
 3. Property Not Covered
 4. Additional Coverages
 5. Coverage Extensions
- b. Organic pathogen means any bacterium, virus, fungus, mold, mildew, mycotoxin, spore, or their by-products.

The most the Pool will pay under Coverage Extensions in paragraphs 1 through 14 is \$250,000 in the aggregate.

14. Outdoor Property

The "Named Member" may extend this coverage to apply to the "Named Member's" outdoor fences, radio and television antennas, communication towers, signs (other than signs attached to buildings), trees, shrubs and plants, including debris removal expense, caused by or resulting from any of the following causes of loss if they are Covered Causes of Loss:

- a. Fire;
- b. Lightning;
- c. Explosion;
- d. Riot or Civil Commotion;
- e. Auto/Aircraft;
- f. Wind; or

g. Vehicles

The most the Pool will pay under Coverage Extensions for trees, shrubs or plants is \$1,000 per tree, shrub or plant.

The most the Pool will pay under Coverage Extensions in paragraphs 1 through 14 is \$250,000 in the aggregate.

15. Data Security Breach

The "Named Member" may extend the coverage that applies to the "Named Member's" Municipal Personal Property for loss resulting from "data security breaches" which was first sustained while the policy is in effect. The loss covered under this additional coverage includes only the following:

- a. expenses incurred by the "Named Member" for outside legal counsel to advise the member as to how it should respond to the data security breach;
- b. expenses incurred by the "Named Member" for information technology consultants to determine the extent of the "data security breach";
- c. expenses incurred by the "Named Member" for providing notice to individuals whose "personal information" may have been compromised by the "data security breach";
- d. expenses incurred by the "Named Member" to advise national consumer credit reporting agencies that compile and maintain consumer credit information as authorized by 15 USC § 1681a of the content, timing and distribution of the notice provided pursuant to the preceding paragraph;
- e. expenses incurred by the "Named Member" in providing a credit report and up to one year of credit monitoring service to individuals whose "personal information" may have been acquired as a result of the "data security breach";
- f. expenses incurred by the "Named Member" in providing professional assistance to individuals whose "personal information" was acquired as a result of the "data security breach" resulting in the theft or loss of the individual's identity; and
- g. any other reasonable expenses incurred by the "Named Member" in responding to the "data security breach".

The most the Pool will pay for all loss or damage sustained by all "data security breaches" under this Coverage Extension is \$250,000 in the aggregate.

16. Water Damage, Other Liquids, Powder or Molten Material Damage. If loss or damage caused by or resulting from covered water or other liquid, powder or molten material damage loss occurs, we will, also, pay the cost to tear out and replace any part of the building or structure to repair damage to the system or appliance from which the water or other substance escapes.

17. Debris Removal

- a. The Pool will pay the "Named Member's" expense to remove debris of Covered Property caused by or resulting from a Covered Cause of Loss that occurs during the policy period. The expenses will be paid only if they are reported to the Pool in writing within 180 days of the earlier of:
 1. The date of direct physical loss or damage; or
 2. The end of the policy period.
- b. The most the Pool will pay under this Additional Coverage is 25% of:

1. The amount the Pool pays for the direct physical loss of or damage to Covered Property; plus
2. The deductible in this policy applicable to that loss or damage.

But this limitation does not apply to any additional debris removal limit provided in the Limits of Coverage section.

3. This Additional Coverage does not apply to costs to:

- a. Extract "pollutants" from land or water; or
- b. Remove, restore or replace polluted land or water.

18. Preservation of Property

If it is necessary to move Covered Property from the described building to preserve it from loss or damage by a Covered Cause of Loss, the Pool will pay for any direct physical loss or damage to that property:

- a. While it is being moved or while temporarily stored at another location; and
- b. Only if the loss or damage occurs within 10 days after the property is first moved.

19. Pollutant Clean Up and Removal

The Pool will pay the "Named Member's" expense to extract "pollutants" from land or water at the described premises if the release, discharge or dispersal of the "pollutants" is caused by or results from a Covered Cause of Loss that occurs during the coverage period.

The expenses will be paid only if they are reported to the Pool in writing within 180 days of the earlier of: the date of direct physical loss or damage; or the end of the policy period.

The most the Pool will pay for each location under this Additional Coverage is \$10,000 for the sum of all such expenses arising out of Covered Causes of Loss occurring during each separate 12 month period of this policy.

20. Arson Reward

In the event that a covered fire loss was the result of an act of arson, the Pool will reimburse the "Named Member" up to \$5,000 for rewards the "Named Member" pays for information leading to convictions for that act of arson.

21. Fire Equipment Recharge

The Pool will pay expenses the "Named Member" incurs to recharge the "Named Member's" automatic fire protection equipment discharged to fight a fire or as the result of a Covered Cause of Loss.

22. Newly Acquired or Constructed Property

- a. The "Named Member" may extend the coverage that applies to Buildings to apply to:
 1. The "Named Member's" new buildings while being built on the described premises; and
 2. Buildings the "Named Member" acquires at locations, other than the described premises, intended for:
 - a. Similar use as the building described in the Declarations; or

- b. Use a warehouse.

The most the Pool will pay for loss or damage under this Coverage Extension is 25% of the limit of coverage applying to this coverage for Buildings shown in the Declarations, but not more than \$500,000 at each building.

- b. The "Named Member" may extend to the coverage that applies to the "Named Member's" Municipal Personal Property to apply to that property at any location the "Named Member" acquires, other than at fairs or exhibitions.

The most the Pool will pay for loss or damage under this Coverage Extension is 10% of the limit of coverage applying to this coverage for the "Named Member's" Municipal Personal Property shown in the Declarations, but not more than \$500,000 at each building.

- c. Coverage under this Coverage Extension for each newly acquired or constructed property will end when any of the following first occurs:

- (1) This coverage expires;

- (2) 30 days expire after the "Named Member" acquires or begins to construct the property; or

- (3) The "Named Member" reports values to the Pool.

The Pool will charge the "Named Member" an additional membership fee for values reported from the date construction begins or the "Named Member" acquires the property.

23. Extra Expense

The "member" may extend this coverage to apply to the necessary and incidental Extra Expense the "member" sustains due to direct physical loss of or damage to property at the described building caused by or resulting from any Covered Cause of Loss.

- a. Extra Expense means necessary expense that the "member" incurs during the *period of restoration* that the "member" would not have incurred if there had been no direct physical loss or damage to property:

- 1) To avoid or minimize the suspension of business and to continue operations;

- 2) To minimize the suspension of business if the "member" cannot continue *operations*; or

- 3) To repair or replace any property to the extent it reduces the amount of loss that otherwise would have been payable under this Extension.

- a. *Operations* means the "member's" business activities at the described premises.

- b. Period of restoration means the period of time it takes to repair, rebuild or replace the described business with reasonable speed and similar quality.

Period of restoration does not include any increased period required due to the enforcement of any ordinance or law that:

- b. Regulates the construction, use or repair, or requires the tearing down of any property; or

- c. Requires any "member" or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of *pollutant*.

The expiration date of this coverage agreement will not cut short the *period of restoration*.

The most the Pool will pay for loss under this Extension is \$50,000 at each described premises.

F. LIMITS OF COVERAGE

Subject to the applicable provisions regarding valuation, the most the Pool will pay for loss or damage in any one occurrence is the applicable limit of coverage applying to this coverage shown in the Declarations. Under this and all property policies issued by the Pool, the Pool will only pay for loss or damage first sustained while the policy is in effect.

The most the Pool will pay for loss or damage to outdoor signs attached to buildings is \$1,000 per sign in any one occurrence.

The limits applicable to the Coverage Extensions are in an addition to the general limit of coverage and the Coverage Extensions provisions incorporate additional limitations.

This provision is subject to the Valuation Condition.

Payments under the following Additional Coverages will not increase the applicable limit of coverage applying under this coverage:

1. Preservation of Property; or
2. Debris Removal; but if
 - a. The sum of direct physical loss or damage and debris removal expense exceeds the limit of coverage; or
 - b. The debris removal expense exceeds the amount payable under the 25% limitation in the Debris Removal Additional Coverage;

The Pool will pay up to an additional \$5,000 for each location in any one occurrence under the Debris Removal Additional Coverage.

G. DEDUCTIBLE

1. If deductibles vary by type of "Covered Property" and more than one type of "Covered Property" is involved in any "one accident", the highest deductible will apply.

Unless otherwise shown in the Declarations, the Deductibles apply to all loss or damage covered by this agreement.

2. The Pool will not pay for loss or damage resulting from any "one accident" until the amount of loss or damage exceeds the applicable deductible or deductibles shown in the Declarations. The Pool will then pay the amount of loss or damage in excess of the applicable deductible or deductibles, subject to the applicable limits shown in the Declarations.

H. LOSS CONDITIONS

The following conditions apply in addition to the Common Conditions and the Municipal Property Conditions.

1. Abandonment

There can be no abandonment of any property to the Pool.

2. Appraisal

If the Pool and the "Named Member" disagree on the value of the property or the amount of loss, either may make written demand for an appraisal of the loss. In this event, each party will select a competent and impartial appraiser.

The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the value of the property and amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

- a. Pay its chosen appraiser; and
- b. Bear the other expenses of the appraisal and umpire equally.

If the Pool submits to an appraisal, the Pool will still retain the right to deny the claim.

3. Duties In The Event Of Loss Or Damage

The "Named Member" must see that the following are done in the event of loss or damage to Covered Property:

- a. Notify the police if a law may have been broken.
- b. Give the Pool prompt notice of the loss or damage. Include a description of the property involved.
- c. As soon as possible, give the Pool a description of how, when and where the loss or damage occurred.
- d. Take all reasonable steps to protect the Covered Property from further damage. If feasible, set the damaged property aside and in the best possible order for examination. Also keep record of the "Named Member's" expenses, for consideration in the settlement of the claim.
- e. At the Pool's request, give the Pool complete inventories of the damaged and undamaged property. Include quantities, costs, values, and amount of loss claimed.
- f. Permit the Pool to inspect the property and records proving the loss or damage.
- g. If requested, permit the Pool to question the "Named Member" under oath at such times as may be reasonably required about any matter relating to this coverage or the "Named Member's" claim, including the "Named Member's" books and records. In such event, the "Named Member's" answers must be signed.
- h. Send the Pool a signed, sworn statement of loss containing the information the Pool requests to settle the claim. The "Named Member" must do this within 60 days after the Pool's request. The Pool will supply the "Named Member" with the necessary forms.
- i. Cooperate with the Pool in the investigation or settlement of the claim.

4. Loss Payment

- a. In the event of loss or damage covered by this coverage, the Pool will either:
 - 1) Pay the value of lost or damaged property;

- 2) Pay the cost of repairing or replacing the lost or damaged property, plus any reduction in value of repaired items;
 - 3) Take all or any part of the property at an agreed or appraised value; or
 - 4) Repair, rebuild or replace the property with other property of like kind and quality.
- b. The Pool will not pay the "Named Member" more than the "Named Member's" financial interest in the Covered Property.
 - c. The Pool will give notice of the Pool's intentions within 30 days after the Pool receives the sworn statement of loss.
 - d. The Pool may adjust losses with the owners of lost or damaged property if other than the "Named Member." If the Pool pays the owners, such payments will satisfy the "Named Member's" claims against the Pool for the owners' property. The Pool will not pay the owners more than their financial interest in the Covered Property.
 - e. The Pool may elect to defend the "Named Member" against suits arising from claims of owners of property. The Pool will do this at the Pool's expense.
 - f. The Pool will pay for covered loss or damage within 30 days after the Pool receives the sworn statement of loss, if:
 - 1) The "Named Member" has complied with all of the terms of this coverage; and
 - 2) (a) An appraisal award has been made.

5. Recovered Property

If either the "Named Member" or the Pool recovers any property after loss settlement, that party must give the other prompt notice. At the "Named Member's" option, the property will be returned to the "Named Member." The "Named Member" must then return to the Pool the amount the Pool paid to the "Named Member" for the property. The Pool will pay recovery expenses and the expenses to repair the recovered property, subject to the limit of coverage applying to this coverage.

6. Vacancy

If the building where loss or damage occurs has been vacant for more than 60 consecutive days before that loss or damage, the Pool will:

- a. Not pay for any loss or damage caused by any of the following even if they are Covered Causes of Loss:
 - 1) Vandalism;
 - 2) Sprinkler leakage, unless the "Named Member" has protected the system against freezing;
 - 3) Building glass breakage;
 - 4) Water damage;
 - 5) Theft; or
 - 6) Attempted theft.
- b. Reduce the amount the Pool would otherwise pay for the loss or damage by 15%

Buildings under construction are not considered vacant.

7. Valuation

The Pool will determine the value of Covered Property in the event of loss or damage as follows:

- a. At actual cash value as of the time of loss or damage, except as provided in b., c., d., and e. below.
- b. "Stock" the "Named Member" has sold but not delivered at the selling price less discounts and expenses the "Named Member" otherwise would have had.
- c. Glass at the cost of replacement with safety glazing material if required by law.
- d. Tenant's Improvements and Betterments at:
 - 1) Actual cash value of the lost or damaged property if the "Named Member" makes repairs promptly.
 - 2) A proportion of the "Named Member's" original cost if the "Named Member" does not make repairs promptly. The Pool will the proportionate value as follows:
 - a) Multiply the original cost by the number of days from the loss or damage to the expiration of the lease; and
 - b) Divide the amount determined in (a) above by the number of days from the installation of improvements to the expiration of the lease.

If the "Named Member's" lease contains a renewal option, the expiration of the renewal option period will replace the expiration of the lease in this procedure.

3. Nothing if others pay for repairs or replacement.

- e. Valuable Papers and Records, including those which exist on electronic or magnetic media (other than prepackaged software programs), at the cost of:
 - 1) Blank materials for reproducing the records; and
 - 2) Labor to transcribe or copy the records when there is a duplicate.

I. ADDITIONAL CONDITIONS

The following conditions apply in addition to the Common Conditions and the Municipal Property Conditions.

1. Limits of Coverage

The premium for this coverage is based upon the statement of values provided prior to the inception of this rating period. In the event of any loss under this coverage, the Pool will pay the least of the following:

- a. The actual adjusted amount of loss, less applicable deductible(s);
- b. 125% of the total stated value for each scheduled location or item of property covered including, without limitation, building, contents, machinery and equipment, stock, income or gross earnings, expense and any other coverages provided at such location, as shown on the statement of values provided to us for rating purposes; or
- c. The Limit(s) of Coverage shown on the Schedule of Premises.

In no event shall this provision increase the Limit(s) of Coverage on this Coverage Agreement.

2. Mortgage Holders

- a. The term mortgage holder includes trustee.
- b. The Pool will pay for covered loss of or damage to buildings or structures to each mortgage holder shown in the Declarations in their order of precedence, as interests may appear.
- c. The mortgage holder has the right to receive loss payment even if the mortgage holder has started foreclosure or similar action on the building or structure.
- d. If the Pool denies the "Named Member's" claim because of the "Named Member's" acts or because the "Named Member" has failed to comply with the terms of this coverage, the mortgage holder will still have the right to receive loss payment if the mortgage holder:
 - 1) Pays any membership fees due under this Coverage Agreement at the Pool's request if the "Named Member" has failed to do so;
 - 2) Submits a signed, sworn proof of loss within 60 days after receiving notice from the Pool of the "Named Member's" failure to do so; and
 - 3) Has notified the Pool of any change in ownership, occupancy or substantial change in risk known to the mortgage holder.

All of the terms of this coverage will then apply to the mortgage holder.

- e. If the Pool pays the mortgage holder for any loss or damage and deny payment to the "Named Member" because of the "Named Member's" acts or because the "Named Member" has failed to comply with the terms of this coverage:
 - 1) The mortgage holder's rights under the mortgage will be transferred to the Pool to the extent of the amount the Pool pays; and
 - 2) The mortgage holder's right to recover the full amount of the mortgage holder's claim will not be impaired. At the Pool's option, the Pool may pay to the mortgage holder the whole principal on the mortgage plus any accrued interest. In this event, the "Named Member's" mortgage and note will be transferred to the Pool and the "Named Member" will pay the "Named Member's" remaining mortgage debt to the Pool.
- f. If the Pool cancels this policy, the Pool will give written notice to the mortgage holder at least:
 - 1) 10 days before the effective date of cancellation if the Pool cancels for the "Named Member's" non-payment of membership fees; or
 - 2) 30 days before the effective date of cancellation if the Pool cancels for any other reason.
- g. If the Pool does not renew this coverage, the Pool will give written notice to the mortgage holder at least 10 days before the expiration date of this coverages.

J. Optional Coverages

If shown in the Declarations, the following Optional Coverages apply separately to each item.

1. Agreed Value

The Pool will pay no more for loss or damage to that property than the proportion that the limit of coverage applying to this coverage for the property bears to the Agreed Value shown for it in the Declarations.

2. Replacement Cost

- a. Replacement Cost (without deduction for depreciation) replaces Actual Cash Value in the Loss Condition, Valuation, of this coverage.
- b. This Optional Coverage does not apply to:
 - 1) Property of others;
 - 2) Contents of a residence;
 - 3) Manuscripts;
 - 4) Works of art, antiques or rare articles, including etchings, pictures, statuary, marbles, bronzes, porcelains and bric-a-brac;
 - 5) "Stock"; or
 - 6) Property which was used at the time the member purchased or otherwise acquired it. Any used property is covered on an actual cash value basis.
- c. The "Named Member" may make a claim for loss or damage covered by this coverage on an actual cash value basis instead of on a replacement cost basis. In the event the "Named Member" elects to have loss or damage settled on an actual cash value basis, the "Named Member" may still make a claim for the additional coverage this Optional Coverage provides if the "Named Member" notifies the Pool of the "Named Member's" intent to do so within 180 days after the loss or damage.
- d. The Pool will not pay on a replacement cost basis for any loss or damage:
 - 1) Until the lost or damaged property is actually repaired or replaced; and
 - 2) Unless the repairs or replacement are made as soon as reasonably possible after the loss or damage.
- e. The Pool will not pay more for loss or damage on a replacement cost basis than the least of:
 - 1) The limit of coverage applying to this coverage applicable to the lost or damaged property;
 - 2) The cost to replace, on the same premises, the lost or damaged property with other property:
 - a) Of comparable material and quality; and
 - b) Used for the same purpose; or
 - 1) The amount the "Named Member" actually spends that is necessary to repair or replace the lost or damaged property.

K. DEFINITIONS

- 1. "Data security breach" means the unauthorized acquisition of an individual's "personal information" maintained by a "Named Member" that compromises its confidentiality, integrity or security.
- 2. "Personal information" means
 - a. An individual's name or initials in combination with any one or more of the following data elements, when the data element is not encrypted:

- 1) The individual's social security number.
 - 2) The individual's number on a driver license or identification license issued pursuant to applicable state law.
 - 3) The individual's financial account information in combination with any required security code, access code or password.
- b. "Personal information" does not mean any publicly available information.
3. "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
4. "Specified Causes of Loss" means the following: Fire; lightning; explosion; windstorm or hail; smoke; aircraft or vehicles; riot or civil commotion; vandalism; leakage from fire extinguishing equipment; sinkhole collapse; volcanic action; falling objects; weight of snow, ice or sleet; water damage.
- a. Sinkhole collapse means the sudden sinking or collapse of land into underground empty spaces created by the action of water on limestone or dolomite. This cause of loss does not include:
- 1) The cost of filling sinkholes; or
 - 2) Sinking or collapse of land into man-made underground cavities.
- b. Falling objects does not include loss or damage to:
- 1) Personal property in the open; or
 - 2) The interior of a building or structure, or property inside a building or structure, unless the roof or an outside wall of the building or structure is first damaged by a falling object.
- c. Water damage means accidental discharge or leakage of water or steam as the direct result of the breaking apart or cracking of any part of a system or appliance (other than a sump system including its related equipment and parts) containing water or steam.
5. "Stock" means merchandise held in storage or for sale, raw materials and in-process or finished goods, including supplies used in their packing or shipping.



ARIZONA MUNICIPAL RISK RETENTION POOL

EARTHQUAKE OR VOLCANIC ERUPTION COVERAGE EXTENSION ENDORSEMENT

THIS ENDORSEMENT MODIFIES COVERAGE PROVIDED UNDER THE **SPECIAL CAUSES OF LOSS COVERAGE AZPC1**:

WITH RESPECT TO COVERAGE PROVIDED BY THIS ENDORSEMENT, THE PROVISIONS OF THE **COVERAGE AGREEMENT** APPLY UNLESS MODIFIED BY THE ENDORSEMENT.

Additional Covered Causes of Loss - Earthquake or Volcanic Eruption

The following are added to the Covered Causes of Loss:

1. Earthquake
2. Volcanic Eruption, meaning the eruption, explosion, or effusion of a volcano.

All Earthquake shocks or Volcanic Eruptions that occur within any 168-hour period will constitute a single Earthquake or Volcanic Eruption. The expiration of this coverage will not reduce the 168-hour period.

We will not pay for loss or damage caused by or resulting from Earthquake or Volcanic Eruption that begins before inception, or after expiration of this coverage.

The Pool will pay the applicable Limit of Coverage stated below but no more than \$250,000 in the aggregate during the coverage or coverage period with respect to loss, damage or expense directly or indirectly caused by, resulting from, contributed to or made worse by Earthquake or Volcanic Eruption:

| Location | Limit(s) of COVERAGE |
|---------------|----------------------|
| All Locations | \$250,000 |

The Limit(s) of COVERAGE stated above shall apply regardless of any other cause or event, whether or not dominant, which may contribute concurrently or in any sequence to the loss or damage. But the Limit(s) of COVERAGE stated above do not apply to fire, explosion, smoke or theft, which result from Earthquake or Volcanic Eruption. If “not covered” is stated for any “location,” then this Earthquake or Volcanic Eruption Coverage Extension Endorsement does not apply at the location(s) described.

Each claim for loss, damage or expense caused by or resulting from Earthquake or Volcanic Eruption, in any one occurrence shall be adjusted separately and from the amount of each such adjusted claim a sum equal to 5% of the total insurable value at each location will be deducted, subject to a minimum of \$10,000 per occurrence at all locations.

This Earthquake or Volcanic Eruption Coverage Extension Endorsement does not apply to:

- A. Property in transit outside the confines of any location or premises covered by the Pool in this endorsement, property in the custody of any outside salesperson or messenger served or property shipped as registered mail; or
- B. Property Covered by any other endorsement which states that earthquake is a covered cause of loss.
- C. The cost to remove ash, dust or particulate matter that does not cause direct physical loss or damage to the described locations in the attached Schedule of Premises.



ARIZONA MUNICIPAL RISK RETENTION POOL

FLOOD COVERAGE EXTENSION ENDORSEMENT

THIS ENDORSEMENT MODIFIES COVERAGE PROVIDED UNDER THE **SPECIAL CAUSES OF LOSS COVERAGE AZPC1**:

WITH RESPECT TO COVERAGE PROVIDED BY THIS ENDORSEMENT, THE PROVISIONS OF THE **COVERAGE AGREEMENT** APPLY UNLESS MODIFIED BY THE ENDORSEMENT.

Flood Limit

The Pool will pay the applicable Limit of Coverage stated below but no more than \$250,000 in the aggregate during the coverage period for loss, damage or expense directly or indirectly caused by, resulting from, contributed to or made worse by flood, surface water, waves, tides, tidal waves, overflow of any body of water, or their spray, all whether driven by wind or not.

| Location | Limit(s) of COVERAGE |
|---------------|----------------------|
| All Locations | \$250,000 |

The Limit(s) of coverage stated above shall apply regardless of any other cause or event, whether or not dominant, which may contribute concurrently or in any sequence to the loss or damage. But the Limit(s) of coverage stated above do not apply to fire, explosion, smoke or theft which result from flood, surface water, waves, tides, tidal waves, overflow of any body of water, or their spray, all whether driven by wind or not. If "not covered" is stated for any "location," then this Flood Coverage Endorsement does not apply at the location(s) described.

Each claim for loss, damage or expense caused by or resulting from flood, surface water, waves, tides, tidal waves, overflow of any body of water, or their spray, all whether driven by wind or not; in any one occurrence shall be adjusted separately and from the amount of each such adjusted claim the sum of \$1,000 will be deducted for each location.

This Flood Coverage Extension does not apply to:

- A. Property in transit outside the confines of any "location" covered hereunder, property in the custody of any outside salesperson or messenger served or property shipped as registered mail; or
- B. Property Covered by any other endorsement which states that flood is a covered cause of loss.
- C. Property located in NFIP Flood Zone A or "Special Flood Hazard Areas" as determined by the National Flood Insurance Program.



PROPERTY ERRORS OR OMISSIONS EXTENSION ENDORSEMENT

Subject to the limit(s) of coverage and deductible(s) shown elsewhere in the MUNICIPAL PROPERTY COVERAGE AGREEMENT, MUNICIPAL BUILDING AND PERSONAL PROPERTY COVERAGE, and subject to all the terms and conditions not in conflict herewith, this endorsement extends to cover the interest of the "member" in the "member's" MUNICIPAL BUILDING PROPERTY and MUNICIPAL PERSONAL PROPERTY, provided that a loss occurs to these types of property which is not covered by the MUNICIPAL BUILDING AND PERSONAL PROPERTY COVERAGE because of:

1. Any error or omission in the description or the location of the above types of property which are covered property under the MUNICIPAL BUILDING AND PERSONAL PROPERTY COVERAGE, which error or omission existed at the time of inception of the MUNICIPAL BUILDING AND PERSONAL PROPERTY COVERAGE; or
2. Any error or omission in the description or the location of the above types of property in a future endorsement to the MUNICIPAL BUILDING AND PERSONAL PROPERTY COVERAGE; or
3. Failing through error or omission to include (a) any location occupied by the "member" at the inception of the MUNICIPAL BUILDING AND PERSONAL PROPERTY COVERAGE, or (b) any newly acquired location during the coverage period of the MUNICIPAL BUILDING AND PERSONAL PROPERTY COVERAGE.

If such loss occurs, the loss shall be covered under this endorsement, but in no case to exceed the limit of coverage specified the Declarations or \$500,000, whichever is less. It is a condition of coverage under this endorsement that such error or omission shall be reported and corrected when discovered, and that any applicable additional membership fee shall be charged.

All other terms and conditions remain unchanged.



ARIZONA MUNICIPAL RISK RETENTION POOL MUNICIPAL INLAND MARINE COVERAGE AGREEMENT DECLARATIONS

Coverage Agreement # 2000169-1
Replaces Coverage Agreement # AM40172016

THIS DECLARATIONS PAGE AND THE ATTACHED MUNICIPAL INLAND MARINE COVERAGE AGREEMENT AND APPLICATION FOR COVERAGE COMPLETE THIS POLICY.

Item 1. "Named Member" and Principal Address:

San Luis, City Of
PO Box 1170
San Luis, AZ 85349

Item 2. "Rating Period"

This Policy takes effect at 12:01 A.M., 07/01/2017, and expires at 12:01 A.M., 07/01/2018.

These effective and expiration times are based upon the local times at the principal address of the "Named Member" stated in Item 1 above.

Item 3. **LIMITS**

1. MUNICIPAL MOBILE AND MISCELLANEOUS EQUIPMENT COVERAGE

| | | | | |
|--|-------------|----|---------|--|
| Rented or leased mobile or miscellaneous equipment | Total Limit | \$ | 500,000 | |
| | Deductible | \$ | 500 | |

| | | | | |
|---|-------------|----|---------|--|
| Mobile equipment (per schedule on file with the Pool) | Total Limit | \$ | 737,392 | |
| | Deductible | \$ | 250 | |

| | | | | |
|--|-------------|----|---------|--|
| Miscellaneous equipment (per schedule on file with the Pool) | Total Limit | \$ | 374,484 | |
| | Deductible | \$ | 250 | |

2. ELECTRONIC DATA PROCESSING COVERAGE

| | | | | |
|--|-------------|----|---------|--|
| Electronic data processing equipment, including electronic <i>data</i> , computer programs and <i>media</i> (per schedule on file with the Pool) | Total Limit | \$ | 500,000 | |
| | Deductible | \$ | 250 | |

3. VALUABLE PAPERS COVERAGE

| | | | | |
|-----------------------------|-------------|----|--------|--|
| Valuable Papers and Records | Total Limit | \$ | 50,000 | |
| | Deductible | \$ | 250 | |

4. ACCOUNTS RECEIVABLE

| | | |
|--------------------------------|-------------|----------------|
| Records of Accounts Receivable | Total Limit | \$ Not Covered |
| | Deductible | \$ Not Covered |

5. SIGNS

| | | |
|----------------|-------------|----------------|
| Signs Coverage | Total Limit | \$ Not Covered |
| | Deductible | \$ Not Covered |

6. FINE ARTS COVERAGE

| | | |
|--|-------------|----------------|
| Fine Arts (per schedule on file with the Pool) | Total Limit | \$ Not Covered |
| | Deductible | \$ Not Covered |

7. SERVICE ANIMAL COVERAGE

| | | |
|------------------------------------|-------------|-----------|
| Per Schedule on file with the Pool | Total Limit | \$ 20,000 |
| | Deductible | \$ 250 |

| | | |
|------------------|-------------|----------|
| Medical/Surgical | Total Limit | \$ 2,500 |
| | Deductible | \$ 250 |



ARIZONA MUNICIPAL RISK RETENTION POOL MUNICIPAL INLAND MARINE COVERAGE AGREEMENT

MUNICIPAL MOBILE AND MISCELLANEOUS EQUIPMENT COVERAGE

VARIOUS PROVISIONS IN THIS MUNICIPAL INLAND MARINE COVERAGE AGREEMENT ("THIS AGREEMENT") RESTRICT COVERAGE. READ THIS COVERAGE ENTIRELY AND CAREFULLY TO DETERMINE RIGHTS, DUTIES, AND WHAT IS OR IS NOT COVERED.

WORDS AND PHRASES THAT ARE IN QUOTATION MARKS HAVE SPECIAL MEANING. REFER TO SECTION **G - DEFINITIONS**, EXCEPT FOR "COVERED EQUIPMENT", WHICH IS DEFINED IN **A.1. AND A.2.** BELOW AND **COMMON CONDITIONS**.

A. COVERAGE

The Pool will pay for direct physical loss or damage to Inland Covered Property resulting from an accident, unless excluded below.

1. Inland Covered Property means:

- a. The "Named Member's" mobile or movable equipment as scheduled; and
- b. The "Named Member's" miscellaneous equipment as scheduled; and
- c. Similar property of others in the "Named Member's" care, custody or control as scheduled.

2. Property Not Covered – Inland Covered Property does not include:

- a. Contraband, or property used in the course of illegal transportation or trade;
- b. Automobiles, trucks or tractors, trailers or semi-trailers, or similar conveyances which are designed and licensed for highway use;
- c. Motorcycles, aircraft, watercraft, drones and similar conveyances, unless specifically scheduled;
- d. Plans, blueprints, designs or specifications; or
- e. Property while located underground, or in caissons, or underwater.

B. ADDITIONAL COVERAGES

1. Acquired Inland Property

The Pool will pay for direct physical loss or damage resulting from an accident, not otherwise excluded to:

- a. Additionally acquired inland property of a similar nature to that scheduled, which is acquired subsequent to the effective date of this coverage, not exceeding:

- (1) 25% of the total amount of the "Named Member's" scheduled Inland Covered Property; or

- (2) \$50,000, whichever is the lesser amount.

This additional amount of coverage shall cease:

- (1) Ninety (90) days from the date such property is acquired; or
- (2) On the date property values are reported to the Pool; or
- (3) On the termination date of this coverage, whichever shall first occur, additional membership fee shall be due and payable from the date such property is acquired.

2. Rental Reimbursement

The Pool will pay for rental reimbursement expenses incurred by the "Named Member" for the rental of equipment because of loss to Inland Covered Property to a covered item of equipment. The Pool will not pay more than:

- a. \$25.00 per day per item of equipment; or
- b. \$500.00 total per policy year for rental of one or more items. No deductibles apply to this coverage.

This coverage does not apply while there are spare or reserve equipment available to the "Named Member" for the "Named Member's" operations.

C. EXCLUSIONS

1. The Pool will not pay for loss or damage arising out of any of the following and any loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence:

- a. Governmental Action

Seizure or destruction of property by order of governmental authority.

But the Pool will pay for acts of destruction ordered by governmental authority and taken at the time of a fire to prevent its spread if the fire would otherwise be covered.

- b. Water

Flood, surface water, waves, tidal water or tidal wave, overflow of streams or other bodies of water, release of water impounded by a dam, or spray

from any of the foregoing, or other water from natural sources whether on or below ground.

- c. Nuclear Hazard

- (1) Any weapon employing atomic fission or fusion; or
- (2) Nuclear reaction or radiation, or radioactive contamination, from any other cause. But the Pool will pay for direct loss caused by resulting fire if the fire would be covered under this coverage.

- d. War and Military Action

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.

2. The Pool will not pay for a loss or damage caused by or resulting from any of the following:

- a. Occasioned by the weight of a load exceeding the manufacturer's rated lifting or supporting capacity of any equipment or machine;
- b. Artificially generated current creating a short circuit or other electric disturbance within an article covered under this coverage. But the Pool will pay for direct loss or damage caused by resulting fire if the fire would be covered under this coverage. This exclusion only applies to loss or damage to that article in which the disturbance occurs and does not apply to loss or damage to electronic data processing equipment, electronic data and computer programs as scheduled and on file with the Pool.
- c. Voluntary parting with any property by the "Named Member" or anyone entrusted with the property if induced to do so by any fraudulent scheme, trick, device or false pretense.
- d. Unauthorized instructions to transfer property to any person or to any place.
- e. Mechanical breakdown or failure. But the Pool will pay for direct loss or damage caused by resulting

fire or explosion if the fire or explosion would be covered under this coverage.

- f. Corrosion, rust, clouding, warping, or discoloration.
- g. Dishonest acts by the "member," anyone else with an interest in property, or the "Named Member's" or their employees or authorized representative, or anyone entrusted with the property, whether or not acting alone or in

collusion with other persons or occurring during the hours of employment. This exclusion does not apply to a carrier for hire.

- h. Unexplained loss, mysterious disappearance, or shortage disclosed upon taking inventory.

3. The Pool will not pay for a loss caused by or resulting from any of the following:

- a. Weather conditions.
- b. Acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body.
- c. Faulty, inadequate or defective:
 - (1) Planning, zoning, development, surveying, siting;
 - (2) Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;
 - (3) Materials used in repair, construction, renovation or remodeling; or
 - (4) Maintenance of part or all of any property wherever located.
- d. Wear and tear, any quality in the property that causes it to damage or destroy itself, hidden or latent defect, gradual deterioration; mechanical breakdown; dampness, cold or heat.

D. LIMITS OF COVERAGE

The most the Pool will pay for loss or damage arising out of in any one accident is the applicable Limit of Coverage shown in the Declarations. If any loss is covered under this coverage or any other coverage issued by the Pool, only the limit provided by this coverage agreement will apply.

E. DEDUCTIBLE

- 1. If deductibles vary by type of "Inland Covered Property" and more than one type of "Inland Covered Property" is involved in any "one accident", the highest deductible will apply.

Unless otherwise shown in the Declarations, the Deductibles apply to all loss or damage covered by this agreement.

- 2. The Pool will not pay for loss or damage resulting from any "one accident" until the amount of loss or damage exceeds the applicable deductible or deductibles shown in the Declarations. The Pool will then pay the amount of loss or damage in excess limits shown in the Declarations. of the applicable deductible or deductibles, subject to the applicable.

F. CONDITIONS

The following conditions apply in addition to the Common Conditions:

1. Coverage Territory

The Pool covers property located within:

- a. The United States of America;
- b. Puerto Rico; and
- c. Canada.

2. Risk Sharing

All Inland Covered Property, except property in transit, must be covered for its total value as of the time of loss or damage or the "Named Member" will incur a penalty.

The penalty is that the Pool will pay only the proportion of any loss or damage that the Limit of Coverage shown in the Declarations for all Covered Property at all locations bears to the total value of all property at all locations as of the time of loss or damage. This penalty will not apply to property in transit.

G. LOSS CONDITIONS

1. ABANDONMENT

There can be no abandonment of any property to the Pool.

2. APPRAISAL

If the Pool and the "Named Member" disagree on the value of the property or the amount of loss, either may make written demand for an appraisal of the loss. In this event, each party will select a competent and impartial appraiser. The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the value of the property and amount of loss. If they fail to agree, they will submit their difference to the umpire. A decision agreed to by any two will be binding. Each party will:

- a. Pay its chosen appraiser; and
- b. Bear the other expenses of the appraisal, the Pool will still retain the right to deny the claim.

3. DUTIES IN THE EVENT OF LOSS

The "Named Member" must see that the following are done in the event of loss or damage to any specifically identified Covered Property:

Notify the police if a law may have been broken.

- a. Give the Pool prompt notice of the loss. Include a description of the property involved.
- b. As soon as possible, give the Pool a description of how, when and where the loss occurred.
- c. Take all reasonable steps to protect the Covered Property from further damage.

If feasible, set the damaged property aside and in the best possible order for examination. Also keep a record of the "Named Member's" expenses, for consideration in the settlement of the claim.

- d. Make no statement that will assume any obligation or admit any liability for any loss for which the Pool may be liable, with the Pool's consent.
- e. Permit the Pool to inspect the property and records proving loss.
- f. If requested, permit the Pool to question the "Named Member" under oath, at such times as may be reasonably required, about any matter relating to this coverage or the "Named Member's" claim, including the "Named Member's" books and records. In such event, the "Named Member's" answers must be signed.
- g. Send the Pool signed, sworn statement of loss containing the information the Pool requests to settle the claim. The "Named Member" must do this within sixty (60) days after the Pool's request. The Pool will supply the "Named Member" with the necessary forms.
- h. Promptly send the Pool any legal papers or notices received concerning the loss.
- i. Cooperate with the Pool in the investigation or settlement of the claim.

4. TWO OR MORE COVERAGES

If two or more coverages apply to the same loss, the Pool will not pay more than the actual amount of the loss.

5. LOSS PAYMENT

The Pool will pay or make good any loss covered under this coverage within thirty (30) days after:

- a. The Pool reaches agreement with the "Named Member";
- b. The entry of final judgment; or
- c. The filing of an appraisal award.

The Pool will not be liable for any part of a "loss" that has been paid or made good by others.

6. PAIR, SET OR PARTS

- a. Pair or Set. In case of loss to any part of a pair or set the Pool may:
 1. Repair or replace any part or restore the pair or set to its value before the loss; or
 2. Pay the difference between the value of the pair or set before and after the loss.
- b. Parts. In case of loss to any part of Covered Property consisting of several parts when complete, the Pool will only pay for the value of the lost or damaged part.

H. PRIVILEGE TO ADJUST WITH OWNER

In the event of loss involving property of others in the "Named Member's" care, custody or control, the Pool has the right to:

- a. Settle the loss with the owners of the property. A receipt for payment from the owners of that property will satisfy any claim of the "member's."
- b. Provide a defense for legal proceedings brought against the "member." If provided, the expense of this defense will be at the Pool's cost and will not reduce the applicable Limit of Coverage under the coverage.

I. RECOVERIES

Any recovery or salvage on a loss will accrue entirely to the Pool's benefit until the sum paid by the Pool has been made up.

J. REINSTATEMENT OF LIMIT AFTER LOSS

The Limit of Coverage will not be reduced by the payment of any claim, except for total loss of a scheduled item, in which event the Pool will refund the unearned premium on that item.

K. LEGAL ACTION AGAINST THE POOL

No one may bring a legal action against the Pool under the coverage unless:

1. There has been full compliance with all the terms of the coverage;
2. The action is brought within two (2) years after the "Named Member" first has knowledge of the loss.

L. NO BENEFIT TO BAILEE

No person or organization, other than the "Named Member," having custody of Covered Property will benefit from this coverage.

M. COVERAGE PERIOD

The Pool covers loss commencing during the coverage period shown in the Declarations.

N. VALUATION

The most the Pool will pay for "loss" for any one item, at its option, is the least of:

- a. The cost of the item of equipment with deduction for depreciation;
- b. The cost of reasonably restoring that property to its condition immediately before the loss;
- c. The cost of repairing or replacing parts with like kind and quality without deduction for depreciation; or
- d. The limit stated in the schedule on file as applicable to each scheduled item.



INLAND MARINE ERRORS OR OMISSIONS EXTENSION ENDORSEMENT

This endorsement extends to cover the interest of the “member” in the “member’s” inland marine property, provided that a loss occurs to this type of property which is not covered by the respective MUNICIPAL INLAND MARINE COVERAGE AGREEMENT because of:

1. Any error or omission in the description or the scheduling of the above type of property which is covered property under the respective MUNICIPAL INLAND MARINE COVERAGE AGREEMENT, which error or omission existed at the time of inception of the respective MUNICIPAL INLAND MARINE COVERAGE AGREEMENT; or
2. Any error or omission in the description or the scheduling of the above type of property in a future endorsement to the respective MUNICIPAL INLAND MARINE COVERAGE AGREEMENT; or
3. Failing through error or omission to include (a) covered property of the “member” at the inception of the respective MUNICIPAL INLAND MARINE COVERAGE AGREEMENT, or (b) newly acquired inland marine property during the coverage period of the respective MUNICIPAL INLAND MARINE COVERAGE AGREEMENT.

If loss occurs to that property, the loss shall be covered under this endorsement, but in no case will the Pool pay more than the limit of coverage specified or \$100,000, whichever is less. It is a condition of coverage under this endorsement that such error or omission shall be reported and corrected when discovered, and that any additional membership fee shall be charged.

All other terms and conditions remain unchanged.



ARIZONA MUNICIPAL RISK RETENTION POOL MUNICIPAL INLAND MARINE COVERAGE AGREEMENT SERVICE ANIMAL COVERAGE

WORDS AND PHRASES THAT APPEAR IN QUOTATION MARKS HAVE SPECIAL MEANING. REFER TO SECTION G. IN THIS FORM – DEFINITIONS AND IN COMMON CONDITIONS.

A. COVERAGE

The Pool will pay for direct loss or damage resulting from the theft, death or incapacitation of a Covered Service Animal.

1. Covered Service Animal Covered Property

Covered Service Animal means the "Named Member's" active police, K-9 unit, or mounted patrol animals specifically listed in the schedule on file with the Pool.

2. Property Not Covered

Covered Service Animal does not include:

- a. Service Animals not specifically declared and described in the schedule on file with the Pool;
- b. Service Animals rented or leased to others, or being boarded, while away from the "premises" shown on the schedule on file with the Pool; or
- c. Contraband or property in the course of illegal transportation or trade.

B. EXCLUSIONS

The Pool will not pay for loss or damage arising out of any of the following and any loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

1. Improper Care

Failure to provide proper care.

2. Intentional Destruction

Intentional destruction by the "Named Member", by the "Named Member's" "employee" or at the "Named Member's" direction, unless the animal has suffered a severe injury due to an accident and:

- a. The Pool expressly agrees to the death of the animal; or
- b. A veterinarian certifies that immediate destruction is necessary for humane reasons.

3. Natural Causes

Illness, disease, genetic defect or other pre-existing condition, or old age.

4. Nuclear Hazard

Nuclear reaction or radiation, or radioactive contamination, however caused. But if nuclear reaction or radiation, or nuclear contamination, results in fire, the Pool will pay for the direct loss or damage caused by that fire if the fire would be covered under this Coverage Part.

5. Veterinary, Farrier Or Grooming Services

Any veterinary treatment, including but not limited to surgery, or any farrier or grooming services.

6. War And Military Action

- a. War, including undeclared or civil war;

- b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
 - c. Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.
7. The Pool will not pay for loss or damage caused by or resulting from any of the following:
- a. Delay, loss of use, loss of market or any other consequential loss.
 - b. Dishonest or criminal act committed by:
 - (1) The "Named Member" of any of its elected or appointed officials, managers, "employees", directors, trustees or authorized representatives;
 - (2) Anyone else with an interest in the property, or their employees or authorized representatives; or
 - (3) Anyone else to whom the property is entrusted for any purpose.

This Exclusion applies whether or not:

 - (1) Such persons are acting alone or in collusion with other persons; or
 - (2) Such acts occur during the hours of employment.

This Exclusion does not apply to a Covered Service Animal that is entrusted to others who are carriers for hire.
 - c. Voluntary parting with title to or possession of any property by the "Named Member" or anyone else to whom the "Named Member" has entrusted the service animal if induced to do so by any fraudulent scheme, trick, device or false pretense.
 - d. Unauthorized instructions to transfer a service animal to any person or to any place.
 - e. Neglect of the "Named Member" to use all reasonable means to save and preserve property from further damage at and after the time of loss.
8. The Pool will not pay for loss or damage caused by or resulting from acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body.

C. OPTIONAL COVERAGE – MEDICAL/SURGICAL COVERAGE

- 1. If the "Named Member" elects to purchase this Optional Coverage and a separate Medical/Surgical Limit Of Coverage is shown in the Declarations, the Pool will pay for veterinary expenses incurred by the "Named Member" for injury to, or illness sustained by, Covered Service Animals
- 2. All of the Exclusions included within Section B, above, apply to this Optional Coverage. However, with respect to this Optional Coverage:
 - a. Exclusion **3., NATURAL CAUSES**, is amended to read:
Genetic defect or other pre-existing condition, or old age.
 - b. Exclusion **5., VETERINARY, FARRIER OR GROOMING SERVICES**, is amended to read:
Routine veterinary treatment, including but not limited to annual examinations and vaccinations, or any farrier or grooming services.
- 3. The Medical/Surgical Limit Of Coverage shown in the Declarations is the most the Pool will pay under this Coverage for all medical and surgical expenses incurred by any one animal during the "rating period".

D. LIMITS OF COVERAGE

The most the Pool will pay for loss of, or damage to, any animal covered under Coverage Part A. is the applicable Limit Of Coverage shown in the Inland Marine Declarations.

E. DEDUCTIBLE

The Pool will not pay for loss or damage in any one occurrence unless the amount of the loss exceeds the Deductible shown in the Municipal Inland Marine Declarations. The Pool will then pay the amount of the loss in excess of the Deductible, up to the applicable Limit Of Coverage. In the event more than one Deductible amount could apply to the same loss, only the highest Deductible amount may be applied.

The Pool may pay any part or all of the Deductible amount to effect settlement of any claim or suit and, upon notification of the action taken, the "Named Member" shall promptly reimburse the Pool for such part of the Deductible amount as has been paid by the Pool.

F. ADDITIONAL CONDITIONS

The following conditions apply in addition to the Municipal Inland Marine Conditions and the Common Conditions:

1. Coverage Territory

The Pool covers property located within:

- a. The United States of America;
- b. Puerto Rico; and
- c. Canada.

2. Risk Sharing

All Covered Property must be insured for its total value as of the time of loss or the "Member" will incur a penalty.

The penalty is that the Pool will pay only the proportion of any loss that the Limit Of Coverage shown in the Declarations for all Covered Property at all locations bears to the total value of all property at all locations as of the time of loss.

3. Representations

By accepting this Coverage Part, you agree:

- a. The statements in the Declarations are accurate and complete;
- b. Those statements are based upon representations you made to us; and
- c. We have issued this Coverage Part in reliance upon your representations.

G. DEFINITIONS

1. "Employee" means any natural person:

- a. While in the "Named Member's" service;
- b. Who the "Named Member" compensates directly by salary, wages or commissions; and
- c. Who the "Named Member" has the right to direct and control while performing services for the "Member".

"Employee" does not mean or include:

- a. Any agent, independent contractor or representative of the same general character; or
 - b. Any "leased worker".
2. "Leased worker" means a person leased to the "Named Member" by a labor leasing firm under an agreement between the "Named Member" and the labor leasing firm, to perform duties related to the conduct of the "Named Member's" municipal operations.
3. "Premises" means the interior of that portion of any building the "Named Member" occupies for the "Named Member's" municipal activities.
4. "Rating period" means the Rating Period shown in the Declarations.



ARIZONA MUNICIPAL RISK RETENTION POOL EQUIPMENT BREAKDOWN COVERAGE AGREEMENT

VARIOUS PROVISIONS IN THIS MUNICIPAL EQUIPMENT BREAKDOWN COVERAGE AGREEMENT RESTRICT COVERAGE. READ THIS COVERAGE ENTIRELY AND CAREFULLY TO DETERMINE RIGHTS, DUTIES, AND WHAT IS OR IS NOT COVERED.

WORDS AND PHRASES THAT APPEAR IN QUOTATION MARKS HAVE SPECIAL MEANING. REFER TO **SECTION G – DEFINITIONS** AND COMMON CONDITIONS, EXCEPT FOR "ACCIDENT" AND "COVERED EQUIPMENT", WHICH ARE DEFINED IN **A.1.A.** AND **A.1.B.** BELOW.

A. COVERAGE

1. Covered Causes of Loss

The coverage provided by this agreement applies to loss or damage which is the direct result of an "accident" to "covered equipment".

a. "Accident" means direct physical loss as follows:

- (1) Mechanical breakdown, including rupture or bursting caused by centrifugal force;
- (2) Artificially generated electrical current, including electrical arcing, that disturbs electrical devices, appliances or wires;
- (3) Explosion of steam boilers, steam piping, steam engines or steam turbines owned or leased by the "Named Member" or operated under the "Named Member's" control;
- (4) Loss or damage to steam boilers, steam pipes, steam engines or steam turbines caused by or resulting from any condition or event inside equipment;
- (5) Loss or damage to hot water boilers or other water heating equipment caused by or resulting from any condition or event inside such boilers or equipment; or
- (6) Loss or damage to boiler feed water piping, boiler condensate return piping or piping forming a part of a refrigerating or air conditioning system all normally subject to vacuum or internal pressure other than static pressure of contents.

b. "Covered equipment", unless specified otherwise in the Declarations, means any equipment built to operate under vacuum or pressure, other than weight of contents, or equipment used for the generation, transmission or utilization of energy. The equipment must be at a location described in the Declarations and must be owned or leased by the "Named Member" or operated under its control, except as specifically provided for under Service Interruption coverage and the Service Interruption component of other coverages.

2. Insuring Agreements and Certain Limits

Coverage is for equipment breakdown provided under the following insuring agreements. For all insuring agreements the "accident" and Covered Causes of Loss must occur during the Rating Period shown in the Declarations. Coverages listed in 2.b. through 2.o.below do not provide additional limits or amounts of coverage, but are included in the Equipment Breakdown Coverage Limit.



a. Property Damage

The Pool will pay for direct damage to "covered property".

b. Expenses for Service Interruption

The Pool will pay for indirect loss as follows:

- (1) Any coverage provided for "Income and Expense" coverage is extended to apply to covered loss as qualified below.
- (2) The "covered equipment" must be owned by a:
 - (a) Utility,
 - (b) Landlord, or
 - (c) Other supplier

with whom the "Named Member" have a contract to provide the "Named Member" with any of the following services: electrical power, communications, waste disposal, air conditioning, refrigeration, heating, gas, air, water or steam.

The most the Pool will pay for loss or damage under this coverage or any Pool Coverage Part is \$250,000

c. Expediting Expenses

With respect to the "Named Member's" damaged "covered property", the Pool will pay the reasonable extra cost to:

- (1) Make temporary repairs; and
- (2) Expedite permanent repairs or permanent replacement.

The most the Pool will pay for this loss or damage under this coverage is \$250,000.

d. Pollutants

The Pool will pay for the additional cost to repair or replace "covered property" because of contamination by a "pollutant". This includes the additional expenses to clean up or dispose of such property. Additional costs mean these beyond what would have been required had no "pollutant" been involved. The most the Pool will pay, including salvage expense, under this coverage is \$250,000.

e. Perishable Goods

- (1) The Pool will pay for the "Named Member's" loss of "perishable goods" due to spoilage.
- (2) The Pool will also pay for loss of perishable goods due to spoilage caused by an "accident" to "covered equipment" owned by a



- (a) Utility,
- (b) Landlord, or
- (c) Other supplier

with whom the "Named Member" have a contract to provide the "Named Member" with any of the following services: electrical power, communications, waste disposal, air conditioning, refrigeration, heating, gas, air, water or steam.

- (3) The Pool will also pay for the "Named Member's" loss of "perishable goods" due to contamination from the release of refrigerant, including but not limited to ammonia.
- (4) The Pool will also pay necessary expenses the "Named Member" incurs to reduce the amount of loss under this coverage. The expenses are within the limit for this coverage.

The most the Pool will pay for loss or damage under this coverage is \$250,000.

f. Water Damage

If "covered equipment" is damaged by water as a result of an accident to covered refrigeration or air conditioning vessels and piping, the most the Pool will pay under this coverage, including salvage expenses, is \$100,000.

g. Newly Acquired Locations or Equipment

Newly acquired locations and newly acquired equipment are included in "covered property" and "covered equipment" for 90 days after acquisition unless reported to the Pool.

h. Data Restoration

The Pool will pay for the "Named Member's" cost to research, replace and restore data, including programs and operating systems. The most the Pool will pay for loss or damage under this coverage is \$100,000.

i. Demolition and ICC (Increased Cost of Construction)

If an "accident" to "covered equipment" damages a building that is "covered property"; and the loss is increased by enforcement of any ordinance or law in force at the time of the "accident" that regulates the construction or repair of buildings, or establishes zoning or land use requirements, the Pool will pay for the following additional costs to comply with such ordinance or law:

- (1) The "Named Member's" actual expenditures for the cost to demolish and clear the site of undamaged parts.
- (2) The "Named Member's" actual expenditures for increased costs to repair, rebuild, or construct the building. If the building is repaired or rebuilt, it must be intended for similar use or occupancy as the current building, unless otherwise required by zoning or land use ordinance or law.
- (3) The "Named Member's" loss as described in "Income and Expense" coverage caused by loss covered in (1) or (2) above.



The Pool will not pay for:

- (4) Any fine;
- (5) Any liability to a third party;
- (6) Any increase in loss due to a "pollutant"; or
- (7) Increased construction costs until the building is actually repaired or replaced.

The most the Pool will pay for loss or damage under this coverage is \$250,000.

j. CFC Refrigerants

The Pool will pay for the additional cost to repair or replace "covered property" because of the use or presence of a refrigerant containing CFC (chlorofluorocarbon) substances. This means the additional expense to do the least expensive of the following:

- (1) Repair the damaged property and replace any lost CFC refrigerant;
- (2) Repair the damaged property, retrofit the system to accept a non-CFC refrigerant and charge the system with a non-CFC refrigerant; or
- (3) Replace the system with one using a non-CFC refrigerant.

Additional costs mean those beyond what would have been required had no CFC refrigerant been involved.

The Pool will also pay for additional loss as described "Income and Expense", and "Perishable Goods" coverages caused by such loss.

The most the Pool will pay for loss or damage under this coverage is \$250,000.

k. Ice Rink Buried Piping

The Pool will pay for loss or damage caused by or resulting from an "accident" to buried piping at an ice rink. The most the Pool will pay under this coverage is \$250,000.

l. Mold

- (1) The Pool will pay for loss, damage or expense caused by "mold", only when "mold" is the direct result of an "accident" to "covered equipment" that occurs during the Rating Period. This includes, but is not limited to, costs arising from clean up, removal, or abatement of such "mold". As used in this coverage, the term loss or damage means:
 - (a) Direct physical loss or damage to "covered property" caused by "mold" including the cost of removal of the "mold";
 - (b) The cost to tear out and replace any "covered property" as needed to gain access to the "mold";
 - (c) The cost of testing performed after removal, repair, replacement or restoration of the damaged property is completed, provided there is a reason to believe that "mold" is present; and



(d) Additional loss as described in "Income and Expense" coverage caused by such loss.

(2) The most the Pool will pay for loss or damage under this coverage is \$1,000,000. Regardless of the number of claims, the most the Pool will pay for the total of all loss or damage arising out of all "accidents" to "covered equipment" which take place within the 12-month period starting with the beginning of the present annual Rating Period is \$1,000,000. With respect to a particular "accident" which results in "mold", the Pool will not pay more than a total of \$1,000,000 even if the "mold" continues to be present or active or recurs in a later Rating Period.

(3) The coverage provided under this "Mold" Coverage does not increase the Equipment Breakdown Limit on any "covered property". If a particular occurrence results in loss or damage by "mold", and other loss or damage, the Pool will not pay more, for the total of all loss or damage, than the Equipment Breakdown Limit on the affected "covered property".

If there is covered loss or damage to "covered property" not caused by "mold", loss payment will not be limited by the terms of this coverage, except to the extent that "mold" causes an increase in the loss. Any such increase in the loss will be subject to the terms of this coverage.

m. "Green" Building Expenses

The Pool will cover the following expenses:

(1) Reasonable and necessary extra cost for the recertification of the damaged "covered property" as required by a "Green Authority".

(2) Reasonable and necessary extra cost to recycle the damaged "covered property" as required by a "Green Authority".

The most we will pay under this coverage is 150% of the loss cost but not to exceed \$100,000 per location.

n. Income and Expense

(1) Income

(a) The Pool will pay the "Named Member's" actual loss of "Income" that result directly from the necessary total or partial interruption of the "Named Member's" business as a result of a Covered Cause of Loss under this coverage.

(b) The Pool will also pay any necessary expenses the "Named Member" incur to reduce the amount of loss under this coverage. The Pool will pay for such expenses to the extent that they do not exceed the amount of loss that otherwise would have been payable under this coverage.

(c) The Pool will consider the actual experience of the "Named Member's" business before the "accident" and the probable experience the "Named Member" would have had without the "accident" in determining the amount of the Pool's payment.



(d) This coverage ends 60 days after the date the damaged property is repaired or replaced.

(2) Expense

The Pool will pay the reasonable "Expense" to operate the "Named Member's" business during a total or partial interruption of business.

The most we will pay for Income and Expense coverage is \$5,000,000.

B. EXCLUSIONS

1. The Pool will not pay for loss or damage caused by or resulting from:

a. Depletion, deterioration, corrosion, erosion, wear and tear, or other gradually developing conditions.

But if loss or damage from an "accident" results, the pool will pay for that resulting loss or damage.

b. The enforcement of any ordinance, law, regulation, rule or ruling regulating or restricting repair, replacement, alteration, use, operation, construction or installation, except as provided under the following coverages: Demolition and ICC, "Pollutants" or CFC Refrigerants.

c. Any earth movement, including but not limited to earthquake, subsidence, sinkhole collapse, landslide, mudslide, earth sinking, tsunami or volcanic action.

d. Flood, surface water, waves, tides, tidal waves, overflow of any body of water, or their spray, all whether driven by wind or not.

However, if electrical "covered equipment" requires drying out because of the above, the Pool will pay for the direct expenses of such drying out, subject to the applicable Property Damage limit and deductible. The most the Pool will pay for such drying out is \$100,000 per accident.

e. Windstorm or hail.

However, the Pool will pay if:

(1) "Covered equipment" located within a building or structure suffers an "accident" that results from rain, snow, sand or dust; and

(2) The building or structure did not first sustain wind or hail damage to its roof or walls through which the rain, snow, sand or dust entered.

f. Nuclear reaction or radiation, or radioactive contamination, however caused.

g. War, including undeclared or civil war; Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.



- h. Fire or combustion explosion, whether or not caused by or resulting from an "accident".
 - i. Any of the following tests:
 - (1) A hydrostatic, pneumatic or gas pressure test of any boiler or pressure vessel; or
 - (2) An insulation breakdown test of any type of electrical equipment.
 - j. Water or other means used to extinguish a fire, even when such an attempt is unsuccessful.
 - k. Any of the following causes of loss:
 - (1) Lightning, Explosion (except for steam or centrifugal explosion); Smoke, Aircraft or Vehicles, Riot or Civil Commotion, Vandalism or Sprinkler Leakage;
 - (2) Breakage of Glass, Falling Objects, Weight of Snow, Ice or Sleet or Water Damage (including Water Damage that is the result of an "accident"); or
 - (3) Freezing (caused by cold weather), Collapse or Molten Material.
 - l. The presence, growth, proliferation, spread or activity of "mold". This includes, but is not limited to, costs arising from clean up, removal, or abatement of such "mold". However, if an "accident" occurs, the Pool will pay the resulting loss or damage. This exclusion does not apply:
 - (1) to spoilage of personal property that is "perishable goods", to the extent that spoilage is covered under "Perishable Goods" coverage; or
 - (2) to the extent that coverage is provided under "mold" coverage for that portion of any loss or damage resulting from the presence, growth, proliferation, spread or activity of "mold" as a result of an "accident" to "covered equipment".
2. With respect to "Income", "Expense" and Service Interruption coverages, the Pool will also not pay for:
- a. Loss caused by the "Named Member's" failure to use due diligence and dispatch and all reasonable means to resume business at the described location;
 - b. That part of any loss that is due solely to the suspension, lapse or cancellation of a contract following an "accident" extending beyond the time "Income" is applicable; or
 - c. Delay in resuming operations due to the need to reconstruct or re-input data or programs on "media".
3. With respect to Service Interruption coverage and paragraph (2) of "Perishable Goods" coverage, the Pool will also not pay for loss caused by or resulting from any of the causes of loss named in Exclusion 1.k. above, whether or not coverage for such cause of loss is provided by this agreement or another policy of insurance the "Named Member" has.
4. With respect to "Perishable Goods" coverage, the Pool will also not pay for loss or damage as a result of the "Named Member's" failure to use all reasonable means to protect the "perishable goods" from damage following an "accident".



5. The Pool will, also, not pay for loss or damage caused by or resulting from any defect, programming error, programming limitation, virus, loss of data, loss of access, loss of use, loss of functionality or other condition within or involving data or media of any kind. But if loss or damage from an accident results, the Pool will pay for that resulting loss or damage.
6. None of the following is "covered property":
 - a. Structure, foundation, cabinet, compartment, or air supported structure or building;
 - b. Insulating or refractory material;
 - c. Sewer piping, underground vessels or piping, or piping forming a part of a sprinkler system, except as provided under Ice Rink Buried Piping coverage;
 - d. Water piping other than boiler feed water piping, boiler condensate return piping or water piping forming a part of a refrigerating or air conditioning system;
 - e. Vehicle, aircraft, floating vessel or any equipment mounted on such vehicle, aircraft or floating vessel. However, any property that is stationary, permanently installed at a covered location and that receives electrical power from an external power supplier will not be considered a vehicle, aircraft or floating vessel;
 - f. Dragline, excavation or construction equipment;
 - g. Equipment manufactured by the "Named Member" for sale; or
 - h. Electronic data processing equipment, unless used to control or operate "covered equipment". Electronic Data Processing Equipment includes programmable electronic equipment that is used to store, retrieve and process data; and associated peripheral equipment.
 - i. Any "builders risk property" if the approved estimated total "project cost" exceeds \$2,000,000 as of the date construction commenced.
7. "Covered property" does not include:
 - a. Live animals; or
 - b. Transmission and distribution lines and poles and equipment that are usual to the transmission of electricity and are not at a location described in the Declarations. This does not include substations and transformers. This exclusion does not apply to Expenses for Service Interruption coverage as provided under section A.2.c. above.
 - c. Any "builders risk property" if the approved estimated total "project cost" exceeds \$2,000,000 as of the date construction commenced.



C. LIMITS OF COVERAGE - GENERAL

Any payment made under this coverage will not be increased if more than one "Named Member" is shown in the Declarations.

If two or more limits apply to the same portion of a loss, the Pool will only pay the smaller limit for that portion of the loss. If any loss is covered by any other policy issued by the Pool, only one applicable limit will apply. That limit may be chosen by the "Named Member".

1. Equipment Breakdown Limit

The most the Pool will pay for loss or damage arising from any "one accident" is the amount shown in the Arizona Municipal Risk Retention Pool Equipment Breakdown Declarations. This total limit applies to all coverages under this agreement unless a smaller applicable limit is identified above, then only that limit applies.

2. Newly Acquired Locations or Equipment Limit

The limit of the "Named Member's" coverage for Newly Acquired Locations or Equipment coverage is \$5,000,000. This limit is part of the Equipment Breakdown Limit.

However, any newly acquired locations that have electrical generating equipment must be reported to the Pool within 90 days after the "Named Member" has purchased or leased the location and will be subject to the terms and conditions as determined by the Pool.

D. DEDUCTIBLE

1. If deductibles vary by type of "covered equipment" and more than one type of "covered equipment" is involved in any "one accident", the highest deductibles will apply.

Unless otherwise shown in the Declarations, the Deductibles apply to all loss or damage covered by this agreement.

2. The Pool will not pay for loss or damage resulting from any "one accident" until the amount of loss or damage exceeds the applicable deductible or deductibles shown in the Declarations. The Pool will then pay the amount of loss or damage in excess of the applicable deductible or deductibles, subject to the applicable limits shown in the Declarations.

E. LOSS CONDITIONS

The following conditions apply in addition to the Common Conditions:

1. Abandonment

There can be no abandonment of any property to the Pool.

2. Appraisal

If the Pool admits liability for a loss and the Pool and the "Named Member" disagree on the value of the property or "Income", either may make written demand for an appraisal of the loss. In this event, each party will select a competent and impartial appraiser. The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the value of the property or "Income". If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:



- a. Pay its chosen appraiser; and
- b. Bear the other expenses of the appraisal and umpire equally.

3. Brands and Labels

If branded or labeled merchandise that is "covered property" is damaged by an "accident" to "covered equipment", but retains a salvage value, the "Named Member" may, at your expense:

- a. Stamp the word SALVAGE on the merchandise or its containers if the stamp will not physically damage the merchandise; or
- b. Remove the brands or labels, if doing so will not physically damage the merchandise. the "Named Member" must re-label the merchandise or its containers to comply with the law.

The Pool will pay for any reduction in value of the salvage merchandise resulting from either of these two actions.

If a Brands and Labels Limit is shown on the Declarations, the Pool will not pay more than the indicated amount for coverage under this Condition.

4. Duties In the Event of Loss or Damage

The "Named Member" must see that the following are done in the event of loss or damage:

- a. Give the Pool prompt notice of the loss or damage. Include a description of the property involved;
- b. As soon as possible, give the Pool a description of how, when and where the loss or damage occurred;
- c. Allow the Pool a reasonable time and opportunity to examine the property and premises before repairs are undertaken or physical evidence of the "accident" is removed. But the "Named Member" must take whatever measures are necessary for protection from further damage;
- d. Permit the Pool to inspect the property and records. Also permit the Pool to take samples of damaged and undamaged property for inspection, testing and analysis;
- e. If requested, permit the Pool to question the "Named Member" under oath, at such times as may be reasonably required about any matter relating to this coverage or your claim including the "Named Member's" books and records. In such event, the "Named Member's" answers must be signed;
- f. Send the Pool a signed, sworn proof of loss containing the information the Pool requests to settle the claim. The "Named Member" must do this within 60 days after the Pool's request;
- g. Cooperate with the Pool in the investigation and settlement of the claim;
- h. Promptly send the Pool any legal papers or notices received concerning the loss or damage; and
- i. Make no statement that will assume any obligation or admit any liability, for any loss or damage for which the Pool may be liable, without the Pool's consent.



The Pool may examine any "Named Member" under oath, at such times as may be reasonably required, about any matter relating to this agreement, including your books and records. In the event of an examination, your answers must be signed.

5. Reducing the "Named Member's" Loss

The "Named Member" must reduce its loss, if possible, by:

- a. Resuming operations, partially or completely;
- b. Making up lost business within a reasonable amount of time. This includes working extra time or overtime at the location of loss or at another location. The reasonable amount of time does not necessarily end when the operations are resumed;
- c. Using merchandise or other property available to the "Named Member";
- d. Using the property or services of others; or
- e. Salvaging the damaged property.

6. Salvage and Recoveries

When, in connection with any loss under this agreement, any salvage or recovery is received subsequent to the payment of such loss, the loss shall be refigured on the basis on which it would have been settled had the amount of salvage or recovery been known at the time the loss was originally determined. Any amounts thus found to be due either party from the other shall be paid promptly.

7. Valuation

- a. Our payment for damaged "covered property" will be the smallest of:
 - (1) The cost to repair the damaged property;
 - (2) The cost to replace the damaged property on the same site; or
 - (3) The amount the "Named Member" actually spend that is necessary to repair or replace the damaged property.
- b. Except as described under f. below, the "Named Member" must pay the extra cost of replacing damaged property with property of a better kind or quality or of a different size or capacity.
- c. If the "Named Member" does not repair or replace the damaged property within 24 months after the date of the "accident", then the Pool will pay only the smaller of the:
 - (1) Cost it would have taken to repair at the time of the "accident"; or
 - (2) Actual cash value; at the time of the "accident".
- d. If any of the following conditions are met, property held by the "Named Member" for sale will be valued at the sales price as if no loss or damage had occurred, less any discounts and expenses the "Named Member" otherwise would have had:
 - (1) The property was manufactured by the "Named Member"



- (2) The sales price of the property is less than the replacement cost of the property; or
 - (3) The "Named Member" are unable to replace the property before its anticipated sale.
- e. Media will be valued on the following basis:
- (1) For mass-produced and commercially available software, at the replacement cost.
 - (2) For all other "data" and "media", at the cost of blank material for reproducing the records.
- f. Environmental, Safety and Efficiency Improvements
- If "covered equipment" requires replacement due to an "accident", the Pool will pay the "Named Member's" additional cost to replace with equipment that is better for the environment, safer or more efficient than the equipment being replaced. However, the Pool will not pay more than 150% of what the cost would have been to repair or replace with like kind and quality. This coverage does not increase any of the applicable limits. This coverage does not apply to any property indicated as being valued on an actual cash value basis.
- g. In any event, the Pool will not pay more than the following, whichever is the least:
- (1) the "Named Member's" financial interest in the "covered property";
 - (2) 150% of the estimated replacement cost of the "covered property" as stated in the Schedule of "Covered Property"; or
 - (3) The actual cash value of the "covered property", if the "covered property" is vacant property.

However, any amounts paid for coverages as provided by A. Coverages, 2.b, 2.c, 2.d, 2.e, 2.f, 2.i., 2.j., 2.k., 2.l., and 2.o. are in addition to these limitations.

F. ADDITIONAL CONDITIONS

The following conditions apply in addition to the Common Conditions:

1. Additional Covered Party

If a person or organization is designated in this coverage or an applicable as an additional "Named Member" the Pool will consider them to be a "Named Member" under this only to the extent of their interest.

2. Bankruptcy

The bankruptcy or insolvency of the "Named Member" or its estate will not relieve the Pool of any obligation under this agreement.

3. Concealment, Misrepresentation or Fraud

The Pool will not pay for any loss if the "Named Member" at any time intentionally conceals or misrepresents a material fact concerning:



- a. This Agreement;
 - b. The "covered property";
 - c. The "Named Member's" interest in the "covered property"; or
 - d. A claim under this agreement.
4. Jurisdictional Inspections
- If any "covered equipment" requires inspection to comply with state or municipal boiler and pressure vessel regulations, the Pool agrees to perform such inspection on the "Named Member's" behalf.
5. Legal Action Against Us
- No one may bring a legal action against the Pool under this Covenant unless:
- a. There has been full compliance with all the terms of this agreement; and
 - b. The action is brought within two years after the date of the "accident"; or
 - c. The Pool agree in writing that the "Named Member" have an obligation to pay for damage to "covered property" of others or until the amount of that obligation has been determined by final judgment or arbitration award. No one has the right under this agreement to bring us into an action to determine your liability.
6. Loss Payable
- a. The Pool will pay the "Named Member" and the loss payee shown in the Declarations for loss covered by this agreement, as interests may appear. The coverage covers the interest of the loss payee unless the loss results from conversion, secretion or embezzlement on the "Named Member's" part.
 - b. The Pool may cancel this agreement as allowed by the Cancellation Condition. Cancellation ends this agreement as to the loss payee's interest. If the Pool cancels, the Pool will mail the "Named Member" and the loss payee the same advance notice.
 - c. If the Pool makes any payment to the loss payee, the Pool will obtain their rights against any other party.
7. Mortgage Holders
- a. The Pool will pay for direct damage to "covered property" due to an "accident" to "covered equipment" to the "Named Member" and each mortgage holder shown in the Declarations in their order of precedence, as interests may appear.
 - b. The mortgage holder has the right to receive loss payment even if the mortgage holder has started foreclosure or similar action on the "covered property".
 - c. If the Pool denies the claim because of the "Named Member's" acts or because the "Named Member" has failed to comply with the terms of this agreement, the mortgage holder will still have the right to receive loss payment if the mortgage holder:



- (1) Pays any premium due under this agreement at the Pool's request if the "Named Member" has failed to do so;
- (2) Submits a signed, sworn proof of loss within 60 days after receiving notice from the Pool of the "Named Member's" failure to do so; and
- (3) Has notified the Pool of any change in ownership or material change in risk known to the mortgage holder.

All of the terms of this agreement will then apply directly to the mortgage holder.

d. If the Pool pays the mortgage holder for any loss and denies payment to the "Named Member" because of the "Named Member's" acts or because the "Named Member" has failed to comply with the terms of this agreement:

- (1) The mortgage holder's right under the mortgage will be the amount the Pool pay; and
- (2) The mortgage holder's right to recover the full amount of the mortgage holder's claim will not be impaired.

At the Pool's option, the Pool may pay to the mortgage holder the whole principal on the mortgage plus any accrued interest. In this event, the "Named Member's" mortgage and note will be transferred to the Pool and the "Named Member" will pay the "Named Member's" remaining mortgage debt to us.

e. If the Pool cancels this agreement, the Pool will give written notice to the mortgage holder at least:

- (1) 10 days before the effective date of cancellation if the Pool cancel for the "Named Member's" nonpayment of premium; or
- (2) 30 days before the effective date of cancellation if the Pool cancel for any other reason.

f. If the Pool elects not to renew this agreement, the Pool will give written notice to the mortgage holder at least 10 days before the expiration date of this covenant.

g. If the Pool suspends coverage, it will also be suspended as respects the mortgage holder. The Pool will give written notice of the suspension to the mortgage holder.

8. Other Insurance

- a. The "Named Member" may have other insurance subject to the same plan, terms, conditions and provisions as the coverage under this agreement. If the "Named Member" does, the Pool will pay its share of the covered loss or damage. Its share is the proportion that the applicable limits under this agreement bear to the Limits of Insurance of all insurance covering on the same basis.
- b. If there is other insurance covering the same loss or damage, other than that described in (a) above, the Pool will pay only the amount of covered loss or damaged in excess of the amount due from that other insurance, whether the "Named Member" can collect on it or not.

In no case will the Pool pay more than the applicable limits.



9. Rating Period, Coverage Territory

Under this agreement:

- a. The "accident" must occur:
 - (1) During the Rating Period shown in the Declarations; and
 - (2) Within the Coverage Territory.
- b. The Coverage Territory is:
 - (1) The United States of America (including its territories and possessions); and
 - (2) Canada.

10. Privilege to Adjust with Owner

In the event of loss or damage involving property of others in the "Named Member's" care, custody or control, the Pool has the right to settle the loss or damage with respect to such property with the owner of the property. A receipt for payment from the owners of that property will satisfy any claim of the "Named Member".

11. Suspension

Whenever "covered equipment" is found to be in, or exposed to, a dangerous condition, any of the "Named Member's" representatives may immediately suspend the coverage against loss from an "accident" to that "covered equipment". This can be done by delivering or mailing a written notice of suspension to:

- a. The "Named Member's" last known address; or
- b. The address where the "covered equipment" is located.

Once suspended in this way, the "Named Member's" coverage can be reinstated only by an endorsement for that "covered equipment".

If the Pool suspends the "Named Member's" coverage, the "Named Member" will get a pro rata refund of premium for that "covered equipment". But the suspension will be effective even if the Pool has not yet made or offered a refund.

12. Transfer of Rights of Recovery Against Others to the Pool

If any person or organization to or for whom the Pool makes payment under this agreement has rights to recover damages from another, those rights are transferred to the Pool to the extent of the "Named Member's" payment. That person or organization must do everything necessary to secure the "Named Member's" rights and must do nothing after loss to impair them. But the "Named Member" may waive the "Named Member's" rights against another party in writing:

- a. Prior to a loss to your covered property.
- b. After a loss to your covered property only if, at time of loss, that party is insured by this Coverage Agreement.



G. DEFINITIONS

1. "Accident" is defined in this agreement, in A.1.a., COVERAGE - Covered Causes of Loss.
2. "Boilers and Vessels" means:
 - a. Any boiler, including attached steam, condensate and feed water piping; and
 - b. Any fired or unfired pressure vessel subject to vacuum or internal pressure other than the static pressure of its contents.

This term does not appear elsewhere in this agreement, but may appear in the Declarations.
3. "Builders Risk Property" means:
 - a. "Covered property" in the course of construction;
 - b. Alterations or repair to the "city's" existing "covered property";
 - c. Addition to the "city's" existing "covered property";
 - d. "Builders risk property" also includes:
 - (1) Foundation of "covered property" in the course of construction or an addition to the "city's" existing "covered property";
 - (2) Materials, equipment and supplies used for construction, alteration or repair, provided such property is intended to be permanently in or on the "builders risk property"; and
 - (3) Temporary structures built or assembled at a location described in the Declarations including cribbing, scaffolding and construction forms used in the course of construction or alterations or repair of the "builders risk property".
4. "Income" means the sum of:
 - a. The Net Income (net profit or loss before income taxes) that would have been earned or incurred; and
 - b. Continuing normal operating expenses incurred, including employee payroll.
5. "Named Member" means governmental body or entity first named in the Declarations. For purposes of this coverage, "Named Member" includes relief associations. Unless specifically named in the Declarations, the "Named Member" shall not include:
 - a. Gas, electrical, or steam utilities commission;
 - b. Port authority, housing and redevelopment authority, economic development authority, area or municipal redevelopment authority, or similar agency;
 - c. Municipal power agency;
 - d. Municipal gas agency;
 - e. Hospital or nursing home board or commission;



- f. Airport commission;
 - g. Welfare or public relief agency;
 - h. School board; or
 - i. "Joint powers entity"; but a joint planning board created pursuant to an orderly annexation agreement or joint resolution between the "Named Member" and a township is deemed to be a covered "joint powers entity" under this agreement.
6. "Covered Equipment" is defined in this agreement in A.1.b., COVERAGE - Covered Causes of Loss.
7. "Covered Property" means property that:
- a. The "Named Member" owns; or
 - b. Is in the "Named Member's" care, custody or control and for which the "Named Member" is legally liable while at a location described in the Declarations.
8. "Data" means information or instructions stored in digital code capable of being processed by machinery.
9. "Employee" means any natural person:
- a. While in the "Named Member's" service;
 - b. Who the "Named Member" compensates directly by salary, wages or commissions; and
 - c. Who the "Named Member" has the right to direct and control while performing services for the "Named Member".
- "Employee" does not mean or include:
- a. Any agent, independent contractor or representative of the same general character; or
 - b. Any "leased worker".
10. "Expense" means the additional cost the "Named Member" incurs to operate the "Named Member's" business during the interruption over and above the cost that normally would have been incurred to operate the business during the same period had no "accident" occurred.
11. "Green" means products, materials, methods and processes certified by a "Green Authority" that conserve natural resources, reduce energy or water consumption, avoid toxic or otherwise environmental impact.
12. "Green Authority" means an authority on "Green" buildings, products, materials, methods or processes that is certified and accepted by Leadership in Energy and Environmental Design (LEED), Green Building Initiative Green Globes, Energy Starr Rating System or any other recognized "Green" rating system.



13. "Joint Powers Entity" means an operating entity created by two or more governmental units entering into an agreement as provided by statute for the joint exercise of governmental powers. An intergovernmental agreement will be deemed to create a "joint powers entity" if the agreement establishes a board with the effective power to do any of the following, regardless of whether the specific consent of the constituent governmental units may also be required:
 - a. To receive and expend funds;
 - b. To enter into contracts;
 - c. To hire "employees";
 - d. To purchase or otherwise acquire or hold real or personal property; or
 - e. To sue or be sued.
14. "Media" means all forms of electronic, magnetic and optical tapes and discs for use in any electronic computer or electronic data processing equipment.
15. "Mold" means any "mold", fungus, mildew or yeast, including any spores or toxins produced by or emanating from such "mold", fungus, mildew or yeast.
16. "One Accident" means:

If an initial "accident" causes other "accidents", all will be considered "one accident". All "accidents" that are the result of the same event will be considered "one accident".
17. "Perishable Goods" means any "covered property" subject to deterioration or impairment as a result of a change of conditions, including but not limited to temperature, humidity or pressure.
18. "Pollutant" means any substance other than ammonia that has been declared to be hazardous to health by a governmental agency.
19. "Production Machinery" means:

Any machine or apparatus that processes or produces a product intended for eventual sale. However, "production machinery" does not mean any fired or unfired pressure vessel other than a cylinder containing a movable plunger or piston.

This term does not appear elsewhere in this coverage form, but may appear in the Declarations.
20. "Project cost" means the cost of construction, materials, and architectural, legal, financial and other professional services relating to the construction, alteration or repair project.
21. "Suit" means a civil proceeding to which this Coverage Agreement applies and includes:
 - a. Any arbitration proceeding in which damages are claimed and to which the "Named Member" must submit or do submit with the Pool's consent; or
 - b. Any other alternative dispute resolution proceeding in which damages are claimed and to which the "Named Member" submits with the Pool's consent.



22. "Vacant property" means:

- a. "Covered property" is deemed to be "vacant property" if for a period of 60 consecutive days less than 31% of the "covered property" square footage is either used by the "Named Member" for customary operations or is leased out.
- b. "Covered property" rented or leased to the "Named Member" is deemed to be "vacant property" if for a period of 60 consecutive days the "covered property" does not contain enough property to conduct customary operations.

However, builders risk property is not considered vacant property.



ARIZONA MUNICIPAL RISK RETENTION POOL MUNICIPAL AUTO LIABILITY COVERAGE AGREEMENT DECLARATIONS

Agreement # 2000169-1

Replaces Agreement # AM40172016

THIS DECLARATIONS PAGE AND THE ATTACHED MUNICIPAL AUTO LIABILITY COVERAGE AGREEMENT AND APPLICATION FOR COVERAGE COMPLETE THIS COVERAGE PART.

IN RETURN FOR THE PAYMENT OF MEMBERSHIP FEES, THE POOL AGREES TO PROVIDE THE MEMBER WITH THE FOLLOWING COVERAGE SUBJECT TO ALL OF THE TERMS AND CONDITIONS OF THE POOL'S INTERGOVERNMENTAL AGREEMENT AND THE APPLICABLE COVERAGE AGREEMENTS AND ENDORSEMENTS.

Item 1. "Named Member" and Principal Address

San Luis, City Of
PO Box 1170
San Luis, AZ 85349

Item 2. This Policy takes effect at 12:01 A.M., 07/01/2017, and expires at 12:01 A.M., 07/01/2018.

These effective and expiration times are based upon the local times at the principal address of the "Named Member" stated in Item 1 above.

Item 3. Limits of Liability

| | | | |
|-------------------------------------|----|-------------|------------------|
| Municipal Auto Liability | \$ | 2,000,000 | Any one accident |
| Deductible Municipal Auto Liability | \$ | Nil | Any one accident |
| Municipal Auto Medical Payments | \$ | Not Covered | Any one accident |
| Uninsured/Underinsured Motorists | \$ | Not Covered | Any one accident |

Item 4. Deductible Physical Damage

| | | | |
|---------------|----|-------|---------------------|
| Comprehensive | \$ | 1,000 | Each Covered "Auto" |
| Collision | \$ | 1,000 | Each Covered "Auto" |

Item 5. Description of Covered "Autos"

- Municipal Auto Liability Symbol 1 Any "Auto"
- Municipal Auto Physical Damage Symbol 2 See Schedule of "Autos"
- Uninsured/Underinsured Motorists Symbol 1 Any "Auto"
- Municipal Auto Medical Payments Symbol 1 and 2

Item 6. Endorsements:

AZMAS (07/16)

AZMAC (05/17)

AZMAE1 (07/16)

AZMAE2 (07/16)

AZMAE5 (07/16)

**ARIZONA MUNICIPAL RISK RETENTION POOL
MUNICIPAL AUTO COVERAGE PART
AUTO SCHEDULE**

Coverage Agreement Number: 2000169-1
 Member: San Luis, City Of
 Rating Period From: 07/01/2017 **12:01 AM at the Mailing Address on the Common Declarations**
 To: 07/01/2018

| Auto # | Description | VIN | *Comprehensive | *Comp Deductible | Collision | Collision Deductible | ACV/RC Value | Replacement Cost Indicator |
|--------|--|------|----------------|---------------------|-----------|-------------------------|-----------------|-------------------------------|
| 1 | 1986 Grumman Fire Truck | 6919 | X | \$ 1,000 | X | \$ 1,000 | \$ 35,000 | |
| 2 | 1993 Ford LTS9000 Dump | 1342 | X | \$ 1,000 | X | \$ 1,000 | \$ 40,000 | |
| 3 | 1986 Chevy Utility | 4963 | X | \$ 1,000 | X | \$ 1,000 | \$ 3,000 | |
| 4 | 1985 Mack Garbage Truck | 1460 | X | \$ 1,000 | X | \$ 1,000 | \$ 20,000 | |
| 5 | 1985 GMC SR | 383 | X | \$ 1,000 | X | \$ 1,000 | \$ 40,000 | |
| 6 | 1997 Pierce Fire Truck | 305 | X | \$ 1,000 | X | \$ 1,000 | \$ 210,000 | |
| 7 | 2000 Dodge Caravan | 9906 | X | \$ 1,000 | X | \$ 1,000 | \$ 19,000 | |
| 8 | 1982 GMC Boom Truck | 1754 | X | \$ 1,000 | X | \$ 1,000 | \$ 30,000 | |
| 9 | 1995 Ford PU | 1753 | X | \$ 1,000 | X | \$ 1,000 | \$ 4,800 | |
| 10 | 2000 Ford 19 Pass Van-Handi | 5332 | X | \$ 1,000 | X | \$ 1,000 | \$ 55,300 | |
| 11 | 2000 Wilkens Loadrunner | 7782 | X | \$ 1,000 | X | \$ 1,000 | \$ 84,000 | |
| 12 | 1994 Freightliner Semi Tractor Trailer | 59 | X | \$ 1,000 | X | \$ 1,000 | \$ 34,000 | |
| 13 | 2001 Dodge Truck | 9846 | X | \$ 1,000 | X | \$ 1,000 | \$ 20,000 | |
| 14 | 1996 Dodge 1500 | 9055 | X | \$ 1,000 | X | \$ 1,000 | \$ 8,425 | |
| 15 | 1996 Dodge Ram | 4411 | X | \$ 1,000 | X | \$ 1,000 | \$ 5,225 | |
| 16 | 1979 IHC Oil Boot Truck | 5942 | X | \$ 1,000 | X | \$ 1,000 | \$ 4,000 | |
| 17 | 1989 Chevy Truck | 8606 | X | \$ 1,000 | X | \$ 1,000 | \$ 3,500 | |
| 18 | 1996 Chevy PU | 5727 | X | \$ 1,000 | X | \$ 1,000 | \$ 5,000 | |
| 19 | 1987 Chevy 3/4 Ton Utility Truck | 4963 | X | \$ 1,000 | X | \$ 1,000 | \$ 3,300 | |

| | | | | | | | |
|----|---------------------------------|------|---|----------|---|----------|------------|
| 20 | 2002 Freightliner Water Truck | 4154 | X | \$ 1,000 | X | \$ 1,000 | \$ 75,000 |
| 21 | 2003 Volvo Garbage Truck | 9937 | X | \$ 1,000 | X | \$ 1,000 | \$ 50,000 |
| 22 | 2003 Volvo Garbage Truck | 9938 | X | \$ 1,000 | X | \$ 1,000 | \$ 50,000 |
| 23 | 2003 Pierce Skyboom Fire Truck | 3237 | X | \$ 1,000 | X | \$ 1,000 | \$ 484,288 |
| 24 | 2003 Broom Bear Sweeper | 3580 | X | \$ 1,000 | X | \$ 1,000 | \$ 75,000 |
| 25 | 2004 Autocar Truck | 487 | X | \$ 1,000 | X | \$ 1,000 | \$ 70,000 |
| 26 | 2005 Ford Expedition | 1844 | X | \$ 1,000 | X | \$ 1,000 | \$ 36,000 |
| 27 | 2005 Ford Van | 6553 | X | \$ 1,000 | X | \$ 1,000 | \$ 23,000 |
| 28 | 2005 Ford Van | 796 | X | \$ 1,000 | X | \$ 1,000 | \$ 24,000 |
| 29 | 2005 Ford Expedition | 8934 | X | \$ 1,000 | X | \$ 1,000 | \$ 40,000 |
| 30 | 2005 GMC Canyon PU | 1521 | X | \$ 1,000 | X | \$ 1,000 | \$ 17,000 |
| 31 | 2005 GMC Canyon PU | 2414 | X | \$ 1,000 | X | \$ 1,000 | \$ 17,000 |
| 32 | 2005 GMC Canyon PU | 2487 | X | \$ 1,000 | X | \$ 1,000 | \$ 18,000 |
| 33 | 2005 GMC Canyon PU | 5945 | X | \$ 1,000 | X | \$ 1,000 | \$ 18,000 |
| 34 | 2005 Ford Crown Victoria | 7757 | X | \$ 1,000 | X | \$ 1,000 | \$ 40,000 |
| 35 | 2005 Ford Crown Victoria | 7758 | X | \$ 1,000 | X | \$ 1,000 | \$ 40,000 |
| 36 | 2005 Ford Crown Victoria | 7759 | X | \$ 1,000 | X | \$ 1,000 | \$ 40,000 |
| 37 | 2005 Ford Crown Victoria | 7760 | X | \$ 1,000 | X | \$ 1,000 | \$ 40,000 |
| 38 | 2005 Ford F150 PU | 8302 | X | \$ 1,000 | X | \$ 1,000 | \$ 21,000 |
| 39 | 2005 Ford 3/4 T PU | 2432 | X | \$ 1,000 | X | \$ 1,000 | \$ 40,000 |
| 40 | 2005 Ford 3/4 T PU | 848 | X | \$ 1,000 | X | \$ 1,000 | \$ 24,000 |
| 41 | 2005 Ford Expedition | 7031 | X | \$ 1,000 | X | \$ 1,000 | \$ 35,000 |
| 42 | 2005 GMC Canyon PU | 2115 | X | \$ 1,000 | X | \$ 1,000 | \$ 17,000 |
| 43 | 2005 Harley-Davidson Motorcycle | 2629 | X | \$ 1,000 | X | \$ 1,000 | \$ 18,000 |
| 44 | 2005 Harley-Davidson Motorcycle | 2742 | X | \$ 1,000 | X | \$ 1,000 | \$ 18,000 |

| | | | | | | | |
|----|--------------------------|------|---|----------|---|----------|------------|
| 45 | 2005 Ford Van | 2017 | X | \$ 1,000 | X | \$ 1,000 | \$ 38,000 |
| 46 | 2005 Ford Crown Victoria | 4625 | X | \$ 1,000 | X | \$ 1,000 | \$ 40,000 |
| 47 | 2005 Ford Crown Victoria | 4626 | X | \$ 1,000 | X | \$ 1,000 | \$ 40,000 |
| 48 | 2005 Ford Crown Victoria | 4627 | X | \$ 1,000 | X | \$ 1,000 | \$ 40,000 |
| 49 | 2006 Ford 1/2 T PU | 4059 | X | \$ 1,000 | X | \$ 1,000 | \$ 14,000 |
| 50 | 2006 Ford 1/2 T PU | 4058 | X | \$ 1,000 | X | \$ 1,000 | \$ 14,000 |
| 51 | 2006 Ford 1/2 T PU | 4056 | X | \$ 1,000 | X | \$ 1,000 | \$ 14,000 |
| 52 | 2006 Ford 1/2 T PU | 4055 | X | \$ 1,000 | X | \$ 1,000 | \$ 14,000 |
| 53 | 2006 Ford 1/2 T PU | 4057 | X | \$ 1,000 | X | \$ 1,000 | \$ 14,000 |
| 54 | 2006 Ford Ranger | 4054 | X | \$ 1,000 | X | \$ 1,000 | \$ 20,000 |
| 55 | 2006 Ford PU | 2599 | X | \$ 1,000 | X | \$ 1,000 | \$ 20,000 |
| 56 | 2006 Ford F12K | 893 | X | \$ 1,000 | X | \$ 1,000 | \$ 14,000 |
| 57 | 2006 Ford F12K | 892 | X | \$ 1,000 | X | \$ 1,000 | \$ 14,000 |
| 58 | 2006 Ford Ranger | 4838 | X | \$ 1,000 | X | \$ 1,000 | \$ 15,000 |
| 59 | 2006 Ford Ranger | 4832 | X | \$ 1,000 | X | \$ 1,000 | \$ 15,000 |
| 60 | 2006 Ford Ranger | 4834 | X | \$ 1,000 | X | \$ 1,000 | \$ 15,000 |
| 61 | 2006 Ford Ranger | 4837 | X | \$ 1,000 | X | \$ 1,000 | \$ 15,000 |
| 62 | 2006 Ford Ranger | 4835 | X | \$ 1,000 | X | \$ 1,000 | \$ 15,000 |
| 63 | 2006 Ford Ranger | 4833 | X | \$ 1,000 | X | \$ 1,000 | \$ 15,000 |
| 64 | 2006 Ford Ranger | 4836 | X | \$ 1,000 | X | \$ 1,000 | \$ 15,000 |
| 65 | 2006 Ford Crown Victoria | 1413 | X | \$ 1,000 | X | \$ 1,000 | \$ 22,000 |
| 66 | 2006 Ford Ranger | 4839 | X | \$ 1,000 | X | \$ 1,000 | \$ 15,000 |
| 67 | 2006 Ford Ranger | 4840 | X | \$ 1,000 | X | \$ 1,000 | \$ 15,000 |
| 68 | 2005 Mack MR6 | 8165 | X | \$ 1,000 | X | \$ 1,000 | \$ 165,000 |
| 69 | 2006 Ford F250 | 6281 | X | \$ 1,000 | X | \$ 1,000 | \$ 31,000 |

| | | | | | | | |
|----|---------------------------------|------|---|----------|---|----------|------------|
| 70 | 2006 Ford F250 | 2933 | X | \$ 1,000 | X | \$ 1,000 | \$ 31,000 |
| 71 | 2006 Ford F250 | 2935 | X | \$ 1,000 | X | \$ 1,000 | \$ 31,000 |
| 72 | 2006 Ford F250 | 2934 | X | \$ 1,000 | X | \$ 1,000 | \$ 31,000 |
| 73 | 2006 Ford TSE | 3359 | X | \$ 1,000 | X | \$ 1,000 | \$ 20,000 |
| 74 | 2006 Ford Explorer | 7870 | X | \$ 1,000 | X | \$ 1,000 | \$ 24,000 |
| 75 | 2006 Ford F150 PU | 4851 | X | \$ 1,000 | X | \$ 1,000 | \$ 14,000 |
| 76 | 2006 Jeep Cherokee | 3098 | X | \$ 1,000 | X | \$ 1,000 | \$ 22,000 |
| 77 | 2006 Ford Crown Victoria | 4088 | X | \$ 1,000 | X | \$ 1,000 | \$ 23,000 |
| 78 | 2006 Ford SW | 992 | X | \$ 1,000 | X | \$ 1,000 | \$ 25,000 |
| 79 | 2006 Autocar Garbage Truck | 3270 | X | \$ 1,000 | X | \$ 1,000 | \$ 213,000 |
| 80 | 1996 Chevy Astro Van | 9063 | X | \$ 1,000 | X | \$ 1,000 | \$ 8,000 |
| 81 | 1995 Chevy 4DSW | 9428 | X | \$ 1,000 | X | \$ 1,000 | \$ 8,500 |
| 82 | 1999 Ford 3/4 T PU | 1172 | X | \$ 1,000 | X | \$ 1,000 | \$ 5,000 |
| 83 | 1997 Dodge Caravan | 973 | X | \$ 1,000 | X | \$ 1,000 | \$ 5,000 |
| 84 | 2007 Ford F3D | 9341 | X | \$ 1,000 | X | \$ 1,000 | \$ 45,000 |
| 85 | 2000 Ford Crown Victoria | 1593 | X | \$ 1,000 | X | \$ 1,000 | \$ 8,000 |
| 86 | 2003 Ford Crown Victoria | 1812 | X | \$ 1,000 | X | \$ 1,000 | \$ 10,000 |
| 87 | 2004 Mack LE6 | 8969 | X | \$ 1,000 | X | \$ 1,000 | \$ 119,000 |
| 88 | 2006 Ford Taurus | 6287 | X | \$ 1,000 | X | \$ 1,000 | \$ 12,000 |
| 89 | 2005 Ford F550 | 6467 | X | \$ 1,000 | X | \$ 1,000 | \$ 52,000 |
| 90 | 2007 Harley-Davidson Motorcycle | 502 | X | \$ 1,000 | X | \$ 1,000 | \$ 19,000 |
| 91 | 2007 Harley-Davidson Motorcycle | 746 | X | \$ 1,000 | X | \$ 1,000 | \$ 19,000 |
| 92 | 2007 Carson Trailer | 8772 | X | \$ 1,000 | X | \$ 1,000 | \$ 1,180 |
| 93 | 2007 Ford F150 PU | 8026 | X | \$ 1,000 | X | \$ 1,000 | \$ 19,000 |
| 94 | 2007 Ford F150 PU | 8025 | X | \$ 1,000 | X | \$ 1,000 | \$ 23,000 |

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|-----|-------------------------------|------|---|----------|---|----------|------------|
| 95 | 2007 Ford F150 PU | 4344 | X | \$ 1,000 | X | \$ 1,000 | \$ 34,000 |
| 96 | 2004 Ford Crown Victoria | 7432 | X | \$ 1,000 | X | \$ 1,000 | \$ 10,000 |
| 97 | 2005 Ford Crown Victoria | 2275 | X | \$ 1,000 | X | \$ 1,000 | \$ 12,000 |
| 98 | 1986 John Deere Motor Grader | 1071 | X | \$ 1,000 | X | \$ 1,000 | \$ 30,000 |
| 99 | 1996 Dodge 1 T Dump Truck | 2702 | X | \$ 1,000 | X | \$ 1,000 | \$ 3,300 |
| 100 | 2007 Ford Ranger | 4946 | X | \$ 1,000 | X | \$ 1,000 | \$ 19,000 |
| 101 | 2008 Ford Dump Truck | 3654 | X | \$ 1,000 | X | \$ 1,000 | \$ 82,000 |
| 102 | 2008 Ford Ranger | 1336 | X | \$ 1,000 | X | \$ 1,000 | \$ 13,600 |
| 103 | 2008 Ford Ranger | 1337 | X | \$ 1,000 | X | \$ 1,000 | \$ 13,600 |
| 104 | 2008 Ford Ranger | 1338 | X | \$ 1,000 | X | \$ 1,000 | \$ 13,600 |
| 105 | 2007 GEM E4 | 4500 | X | \$ 1,000 | X | \$ 1,000 | \$ 11,000 |
| 106 | 2008 Ford F150 PU | 5806 | X | \$ 1,000 | X | \$ 1,000 | \$ 21,000 |
| 107 | 2008 LeeBoy Sweeper | 9855 | X | \$ 1,000 | X | \$ 1,000 | \$ 39,000 |
| 108 | 2000 Sterling LT7 Truck | 1680 | X | \$ 1,000 | X | \$ 1,000 | \$ 67,000 |
| 109 | 2008 Homemade Flatbed Trailer | 6118 | X | \$ 1,000 | X | \$ 1,000 | \$ 2,000 |
| 110 | 2007 Autocar Garbage Truck | 4813 | X | \$ 1,000 | X | \$ 1,000 | \$ 171,000 |
| 111 | 1997 Plymouth Van | 5855 | X | \$ 1,000 | X | \$ 1,000 | \$ 2,000 |
| 112 | 2009 Toyota Prius | 3779 | X | \$ 1,000 | X | \$ 1,000 | \$ 24,000 |
| 113 | 2005 Ford Crown Victoria | 9268 | X | \$ 1,000 | X | \$ 1,000 | \$ 15,000 |
| 114 | 2009 Chevy Tahoe | 3276 | X | \$ 1,000 | X | \$ 1,000 | \$ 35,000 |
| 115 | 2009 Chevy Suburban | 3640 | X | \$ 1,000 | X | \$ 1,000 | \$ 39,000 |
| 116 | 2009 Chevy Silverado | 3166 | X | \$ 1,000 | X | \$ 1,000 | \$ 29,000 |
| 117 | 2009 Chevy Silverado | 2214 | X | \$ 1,000 | X | \$ 1,000 | \$ 29,000 |
| 118 | 2009 Chevy Silverado | 4494 | X | \$ 1,000 | X | \$ 1,000 | \$ 29,000 |
| 119 | 2010 Ford F150 PU | 9934 | X | \$ 1,000 | X | \$ 1,000 | \$ 17,030 |

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|-----|---------------------------|------|---|----------|---|----------|------------|
| 120 | 2010 Ford F150 PU | 9932 | X | \$ 1,000 | X | \$ 1,000 | \$ 17,030 |
| 121 | 2010 Ford F150 PU | 9933 | X | \$ 1,000 | X | \$ 1,000 | \$ 17,030 |
| 122 | 1999 EZGO Golf Cart | 5788 | X | \$ 1,000 | X | \$ 1,000 | \$ 6,900 |
| 123 | 1997 EZGO Golf Cart | 8225 | X | \$ 1,000 | X | \$ 1,000 | \$ 9,400 |
| 124 | 1999 EZGO Golf Cart | 5841 | X | \$ 1,000 | X | \$ 1,000 | \$ 6,900 |
| 125 | 1999 Chevy Truck | 6772 | X | \$ 1,000 | X | \$ 1,000 | \$ 3,000 |
| 126 | 2007 Nissan Sedan | 7883 | X | \$ 1,000 | X | \$ 1,000 | \$ 13,670 |
| 127 | 2011 Yamaha ATV | 6151 | X | \$ 1,000 | X | \$ 1,000 | \$ 13,000 |
| 128 | 2011 Yamaha ATV | 6271 | X | \$ 1,000 | X | \$ 1,000 | \$ 13,000 |
| 129 | 2011 Chevy Tahoe | 8695 | X | \$ 1,000 | X | \$ 1,000 | \$ 33,000 |
| 130 | 2007 Nissan Sentra | 7883 | X | \$ 1,000 | X | \$ 1,000 | \$ 7,000 |
| 131 | 2011 Chevy Truck | 4174 | X | \$ 1,000 | X | \$ 1,000 | \$ 38,000 |
| 132 | 2002 Jeep Cherokee | 1948 | X | \$ 1,000 | X | \$ 1,000 | \$ 5,000 |
| 133 | 2006 Ford F150 PU | 9272 | X | \$ 1,000 | X | \$ 1,000 | \$ 37,000 |
| 134 | 2006 Ford Expedition | 8923 | X | \$ 1,000 | X | \$ 1,000 | \$ 37,000 |
| 135 | 2006 Ford F150 PU | 8757 | X | \$ 1,000 | X | \$ 1,000 | \$ 14,000 |
| 136 | 2012 Freightliner Sweeper | 5204 | X | \$ 1,000 | X | \$ 1,000 | \$ 213,000 |
| 137 | 2006 Eldorado Bus | 6839 | X | \$ 1,000 | X | \$ 1,000 | \$ 15,000 |
| 138 | 2006 Nissan Titan | 8661 | X | \$ 1,000 | X | \$ 1,000 | \$ 40,000 |
| 139 | 2012 Ford Fusion | 5346 | X | \$ 1,000 | X | \$ 1,000 | \$ 20,000 |
| 140 | 2012 Dodge Charger | 5713 | X | \$ 1,000 | X | \$ 1,000 | \$ 40,000 |
| 141 | 2012 Dodge Charger | 5714 | X | \$ 1,000 | X | \$ 1,000 | \$ 40,000 |
| 142 | 2001 Ford Crown Victoria | 4121 | X | \$ 1,000 | X | \$ 1,000 | \$ 20,000 |
| 143 | 2013 Flatbed Trailer | 1739 | X | \$ 1,000 | X | \$ 1,000 | \$ 2,000 |
| 144 | 2013 Ford Pickup | 7566 | X | \$ 1,000 | X | \$ 1,000 | \$ 17,000 |

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|-----|--------------------------|------|---|----------|---|----------|-----------|
| 145 | 2013 Ford Pickup | 7567 | X | \$ 1,000 | X | \$ 1,000 | \$ 17,000 |
| 146 | 2013 Ford Taurus | 2916 | X | \$ 1,000 | X | \$ 1,000 | \$ 40,000 |
| 147 | 2013 Ford Taurus | 2917 | X | \$ 1,000 | X | \$ 1,000 | \$ 40,000 |
| 148 | 2013 Ford Taurus | 2918 | X | \$ 1,000 | X | \$ 1,000 | \$ 40,000 |
| 149 | 2013 Ford Explorer | 566 | X | \$ 1,000 | X | \$ 1,000 | \$ 40,000 |
| 150 | 2013 Ford Explorer | 567 | X | \$ 1,000 | X | \$ 1,000 | \$ 40,000 |
| 151 | 2013 Ford Explorer | 568 | X | \$ 1,000 | X | \$ 1,000 | \$ 40,000 |
| 152 | 2013 Ford Explorer | 569 | X | \$ 1,000 | X | \$ 1,000 | \$ 40,000 |
| 153 | 2013 Ford Explorer | 560 | X | \$ 1,000 | X | \$ 1,000 | \$ 40,000 |
| 154 | 2013 Ford Dump Truck | 6055 | X | \$ 1,000 | X | \$ 1,000 | \$ 49,000 |
| 155 | 2006 Chevy Impala | 8859 | X | \$ 1,000 | X | \$ 1,000 | \$ 40,000 |
| 156 | 2005 Ford Crown Victoria | 2286 | X | \$ 1,000 | X | \$ 1,000 | \$ 40,000 |
| 157 | 2005 Ford Crown Victoria | 2312 | X | \$ 1,000 | X | \$ 1,000 | \$ 20,000 |
| 158 | 2005 Ford Crown Victoria | 5248 | X | \$ 1,000 | X | \$ 1,000 | \$ 40,000 |
| 159 | 2001 Ford Crown Victoria | 6983 | X | \$ 1,000 | X | \$ 1,000 | \$ 20,000 |
| 160 | 1998 EZGO Golf Cart | 8469 | X | \$ 1,000 | X | \$ 1,000 | \$ 7,599 |
| 161 | 2013 Crafcu Trailer | 8098 | X | \$ 1,000 | X | \$ 1,000 | \$ 63,000 |
| 162 | 2013 Chevy Suburban | 7519 | X | \$ 1,000 | X | \$ 1,000 | \$ 38,000 |
| 163 | 1998 Toyota Corolla | 9005 | X | \$ 1,000 | X | \$ 1,000 | \$ 8,500 |
| 164 | 2014 Chevy Pickup | 847 | X | \$ 1,000 | X | \$ 1,000 | \$ 32,000 |
| 165 | 2014 Chevy Pickup | 593 | X | \$ 1,000 | X | \$ 1,000 | \$ 32,000 |
| 166 | 2014 Ford Pickup | 5501 | X | \$ 1,000 | X | \$ 1,000 | \$ 40,000 |
| 167 | 2014 Chevy Tahoe | 1605 | X | \$ 1,000 | X | \$ 1,000 | \$ 40,000 |
| 168 | 2014 Chevy Tahoe | 2586 | X | \$ 1,000 | X | \$ 1,000 | \$ 40,000 |
| 169 | 2014 Chevy Silverado | 4012 | X | \$ 1,000 | X | \$ 1,000 | \$ 40,000 |

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|-----|------------------------------|-------------------|---|----------|---|----------|------------|
| 170 | 2014 Ford Explorer | 4450 | X | \$ 1,000 | X | \$ 1,000 | \$ 40,000 |
| 171 | 2015 Peterbilt Truck | 3796 | X | \$ 1,000 | X | \$ 1,000 | \$ 243,000 |
| 172 | 2006 Ford Crown Victoria | 4645 | X | \$ 1,000 | X | \$ 1,000 | \$ 20,000 |
| 173 | 2014 Honda SCP Motorcycle | 55 | X | \$ 1,000 | X | \$ 1,000 | \$ 30,000 |
| 174 | 2014 Honda SCP Motorcycle | 51 | X | \$ 1,000 | X | \$ 1,000 | \$ 30,000 |
| 175 | 2014 Honda SCP Motorcycle | 66 | X | \$ 1,000 | X | \$ 1,000 | \$ 30,000 |
| 176 | 2015 Ford Explorer | 3201 | X | \$ 1,000 | X | \$ 1,000 | \$ 52,000 |
| 177 | 2015 Ford Explorer | 3202 | X | \$ 1,000 | X | \$ 1,000 | \$ 52,000 |
| 178 | 2015 Ford Explorer | 3204 | X | \$ 1,000 | X | \$ 1,000 | \$ 52,000 |
| 179 | 2015 Ford Explorer | 3205 | X | \$ 1,000 | X | \$ 1,000 | \$ 52,000 |
| 180 | 2015 Ford Explorer | 3206 | X | \$ 1,000 | X | \$ 1,000 | \$ 52,000 |
| 181 | 2007 Ford Crown Victoria | 3156 | X | \$ 1,000 | X | \$ 1,000 | \$ 2,800 |
| 182 | 2015 Ford F77 | 8356 | X | \$ 1,000 | X | \$ 1,000 | \$ 26,434 |
| 183 | 2000 Chevy Colorado | 5546 | X | \$ 1,000 | X | \$ 1,000 | \$ 4,400 |
| 184 | 2001 Jeep Cherokee | 1515 | X | \$ 1,000 | X | \$ 1,000 | \$ 2,600 |
| 185 | 2015 Chevy Silverado HD 2500 | 6243 | X | \$ 1,000 | X | \$ 1,000 | \$ 32,961 |
| 186 | 2015 Chevy Silverado HD 2500 | 495 | X | \$ 1,000 | X | \$ 1,000 | \$ 29,600 |
| 187 | 2015 Chevy Silverado HD 2500 | 5470 | X | \$ 1,000 | X | \$ 1,000 | \$ 28,759 |
| 188 | 2004 FORD F150 SUPERCREW | 1FTRW12W64KD10449 | X | \$ 1,000 | X | \$ 1,000 | \$ 9,000 |
| 189 | 2999 Spartan Monarch | 8675 | X | \$ 1,000 | X | \$ 1,000 | \$ 100,000 |
| 190 | 2015 Ford Fusion | 6226 | X | \$ 1,000 | X | \$ 1,000 | \$ 30,000 |
| 191 | 2015 Ford Fusion | 1745 | X | \$ 1,000 | X | \$ 1,000 | \$ 30,000 |
| 192 | 2015 Ford Fusion | 1072 | X | \$ 1,000 | X | \$ 1,000 | \$ 30,000 |
| 193 | 2015 Ford Escape | 5521 | X | \$ 1,000 | X | \$ 1,000 | \$ 30,000 |
| 194 | 2015 Ford Escape | 6612 | X | \$ 1,000 | X | \$ 1,000 | \$ 30,000 |

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|-----|---|-------------------|---|----------|---|----------|------------|
| 195 | 2015 Ford Explorer | 5652 | X | \$ 1,000 | X | \$ 1,000 | \$ 35,000 |
| 196 | 2014 Ford F150 | 987 | X | \$ 1,000 | X | \$ 1,000 | \$ 22,000 |
| 197 | 2014 Ford F150 | 9336 | X | \$ 1,000 | X | \$ 1,000 | \$ 22,000 |
| 198 | 2015 Chevy Suburban | 3937 | X | \$ 1,000 | X | \$ 1,000 | \$ 30,000 |
| 199 | 2015 Chevy Silverado | 2104 | X | \$ 1,000 | X | \$ 1,000 | \$ 22,000 |
| 200 | 2015 Ford Explorer | 3203 | X | \$ 1,000 | X | \$ 1,000 | \$ 52,000 |
| 201 | 2014 Ram C350Am | 5571 | X | \$ 1,000 | X | \$ 1,000 | \$ 98,460 |
| 202 | 2016 Ford Explorer | 3844 | X | \$ 1,000 | X | \$ 1,000 | \$ 27,112 |
| 203 | 2016 Ford F250 | 3031 | X | \$ 1,000 | X | \$ 1,000 | \$ 35,810 |
| 204 | 1998 Emond Fire Truck | 8313 | X | \$ 1,000 | X | \$ 1,000 | \$ 55,000 |
| 205 | 2016 PIERCE MFG. INC. PIERCE | 4P1BAAGF1GA016533 | X | \$ 1,000 | X | \$ 1,000 | \$ 638,719 |
| 206 | 2016 FREIGHTLINER M2 106 MEDIUM DUTY | 1FVACXCY7GHGV1277 | X | \$ 1,000 | X | \$ 1,000 | \$ 247,442 |
| 207 | 2016 FORD F150 SUPERCREW | 1FTEW1CF1GFB12467 | X | \$ 1,000 | X | \$ 1,000 | \$ 27,800 |
| 208 | 2016 FORD F150 SUPERCREW | 1FTFW1EF1GKD88771 | X | \$ 1,000 | X | \$ 1,000 | \$ 31,000 |
| 209 | 2006 FORD ECONOLINE E450 SUPER DUTY | 1FDXE45P96HA37728 | X | \$ 1,000 | X | \$ 1,000 | \$ 55,000 |
| 210 | 2006 FORD ECONOLINE E450 SUPER DUTY | 1FDXE45P46HA57630 | X | \$ 1,000 | X | \$ 1,000 | \$ 55,000 |
| 211 | 2017 PETERBILT 348 | 2NP3XJ0X1HM423155 | X | \$ 1,000 | X | \$ 1,000 | \$ 100,000 |
| 212 | 2017 FORD EXPLORER XLT | 1FM5K7D82HGB07235 | X | \$ 1,000 | X | \$ 1,000 | \$ 25,900 |
| 213 | 2004 DODGE DURANGO LIMITED SPORT UTILITY VEHICL | 1D8HB58D44F17229 | X | \$ 1,000 | X | \$ 1,000 | \$ 500 |
| 214 | 2017 CHEVROLET TAHOE SPECIAL SPORT UTILITY VEHICL | 1GNSKFEC9HR30036 | X | \$ 1,000 | X | \$ 1,000 | \$ 347,060 |
| 215 | 2017 FORD F150 SUPER CAB PICKUP | 1FTEX1CF1HKC47860 | X | \$ 1,000 | X | \$ 1,000 | \$ 25,100 |

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| 216 | 2017 FORD EXPLORER POLICE INTERCEPT SPORT UTILITY VEHICL | 1FM5K8AR9HGB93016 | X | \$ 1,000 | X | \$ 1,000 | \$ 31,500 |
| 217 | 2017 RAM 3500 CAB CHASSIS | 3C7WRSBL8HG536319 | X | \$ 1,000 | X | \$ 1,000 | \$ 189,065 |
| 218 | 2016 RAM 3500 CAB CHASSIS | 3C7WRSBL7GG221140 | X | \$ 1,000 | X | \$ 1,000 | \$ 189,065 |



ARIZONA MUNICIPAL RISK RETENTION POOL MUNICIPAL AUTO LIABILITY COVERAGE AGREEMENT

THIS COVERAGE AGREEMENT IS ISSUED BY THE ARIZONA MUNICIPAL RISK RETENTION POOL ("THE POOL"). PLEASE READ THIS COVERAGE AGREEMENT CAREFULLY. ALL TERMS IN QUOTES HAVE A SPECIAL MEANING FOUND IN THE DEFINITIONS SECTION OR COMMON CONDITIONS.

IN CONSIDERATION OF THE PAYMENT OF THE PREMIUM SHOWN IN THE DECLARATIONS AND IN RELIANCE ON ALL OF THE STATEMENTS AND REPRESENTATIONS MADE DURING THE APPLICATION PROCESS TO THE POOL, AND SUBJECT TO ALL THE TERMS, CONDITIONS AND LIMITS OF THIS COVERAGE AGREEMENT, THE POOL AGREES AS FOLLOWS:

SECTION I – COVERED AUTOS

Item 4 of the Municipal Auto Declarations shows the “autos” that are covered “autos” for each of the "Named Member's" coverages. The following numerical symbols describe the “autos” that may be covered “autos”. The symbols entered next to a coverage on the Municipal Auto Declarations designate the only “autos” that are covered “autos”.

A. DESCRIPTION OF COVERED AUTO DESIGNATION SYMBOLS

| <u>Symbols</u> | <u>Description Of Covered Auto Designation Symbols</u> | |
|----------------|--|---|
| 1 | Any "Auto" | "Autos" the Member owns or are used in connection with the "Named Member's" municipal operations. |
| 2 | Specifically Described "Autos" and Hired "Autos" | Those “autos” described in Item 4. of the Municipal Auto Declarations or the attached Auto Schedule (and for Municipal Auto Liability Coverage any “trailers” the Member doesn’t own while attached to any power unit described in Item 4. or the attached Auto Schedule) and those "autos" the "Named Member" leases, hires, rents or borrows or an "employee" leases, hires, rents or borrows in connection with the "Named Member's" municipal operations. |

B. OWNED AUTOS ACQUIRED AFTER THE RATING PERIOD BEGINS

1. If Symbol 1 is entered next to a coverage in Item 4. of the Municipal Auto Declarations, then the "Named Member" has coverage for “autos” the Member acquires of the type described for the remainder of the “rating period”.
2. If Symbol 2 is entered next to a coverage in Item 4. of the Municipal Auto Declarations, an “auto” the "Named Member" acquires will be a covered “auto” for that coverage only if:
 - a) The Pool already covers all “autos” that the "Named Member" owns for that coverage or it replaces an “auto” the "Named Member" previously owned that had that coverage; and
 - b) The "Named Member" tells the Pool within 30 days after acquiring it that the "Named Member" wants the Pool to cover it for that coverage.

C. CERTAIN TRAILERS, MOBILE EQUIPMENT AND TEMPORARY SUBSTITUTE AUTOS

If Municipal Auto Liability Coverage is provided by this Coverage Agreement, the following types of vehicles are also covered “autos” under the Municipal Auto Liability Coverage:

1. "Trailers" with a load capacity of 2,000 pounds or less designed primarily for travel on public roads.
2. "Mobile equipment" while being carried on or towed by a covered "auto".
3. Any "auto" the Member does not own while used with the permission of its owner as a temporary substitute for a covered "auto" the Member owns.

SECTION II - MUNICIPAL AUTO LIABILITY COVERAGE

A. COVERAGE AGREEMENT

1. The Pool will pay all sums a "member" legally must pay as "damages" because of "bodily injury" or "property damage" to which this coverage applies, caused by an "accident" during the "rating period" and resulting from the ownership, maintenance or use of a covered "auto".
2. The Pool has the right and duty to defend a "member" against any "suit" seeking covered "damages". The Pool may, at the Pool's discretion, investigate any "claim" and settle any "claim" or "suit."
3. The Pool has no obligation to pay "damages", defend any "member" or incur any expense after the applicable limit of liability shown in the Declarations has been paid.
4. While a covered "auto" is away from the state where it is licensed, the Pool will provide the minimum amounts and types of coverages required of out-of-state vehicles by the jurisdiction where the covered "auto" is being used.

The Pool will not pay anyone more than once for the same elements of "loss".

B. EXCLUSIONS

This coverage does not apply to any of the following:

1. Care, Custody Or Control

"Property damage" to property owned or transported by a "member" or in the "member's" care, custody or control.

But this Exclusion does not apply to:

- a) Liability assumed under a sidetrack agreement; or
- b) "Property damage" to a residence or private garage caused by a "private passenger auto".

2. Contractual Liability

Liability assumed under any contract or agreement.

But this Exclusion does not apply to liability for "damages":

- a) Assumed in a contract that is a "covered contract", provided the "bodily injury" or "property damage" occurs after the execution of the contract; or
- b) That the "member" would have in the absence of the contract.

3. Employer's Liability

"Bodily injury" to:

- a) An "employee" of the "Named Member" arising out of and in the course of:

- 1) Employment by the "Named Member"; or
 - 2) Performing the duties related to the conduct of the Member's municipal operations;
or
- b) The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph a. above.

This Exclusion applies:

- a) Whether the "Named Member" may be liable as an employer or in any other capacity; and b)

To any obligation to share "damages" with or repay someone else who must pay "damages" because of the injury.

This Exclusion does not apply to:

- a) Liability assumed by the "Named Member" under a "covered contract"; or
- b) "Bodily injury" to domestic employees not entitled to workers compensation benefits.

4. **Expected Or Intended Injury**

"Bodily injury" or "property damage" expected or intended from the standpoint of any "member". This exclusion does not apply to "bodily injury" or "property damage" resulting from the use of reasonable force by public safety personnel to protect persons or property.

5. **Fellow Employees**

"Bodily injury" to any fellow "employee" of the "Named Member" arising out of and in the course of the fellow "employee's" employment or while performing duties related to the conduct of the "Named Member's" municipal operations.

6. **Handling of Property**

"Bodily injury" or "property damage" resulting from the handling of property:

- a) Before it is moved from the place where it is accepted by the "member" for movement into or onto the covered "auto"; or
- b) After it is moved from the covered "auto" to the place where it is finally delivered by the "member".

7. **Movement Of Property By Mechanical Device**

"Bodily injury" or "property damage" resulting from the movement of property by a mechanical device (other than a hand truck) unless the device is attached to the covered "auto".

8. **Operations**

"Bodily injury" or "property damage" arising out of the operation of any equipment listed in Paragraphs 6.(b) and 6.(c) of the definition of "mobile equipment".

9. **Pollution**

- a) "Damages" for which a "member" would not have been liable in whole or in part but for the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.
- b) Any loss, cost or expense arising out of any:

- 1) Request, demand, order or statutory or regulatory requirement that any "member" or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
- 2) "Claim" or "suit" by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

10. Racing

Covered "autos" while used in any professional or organized racing or demolition contest or stunting activity, or while practicing for such contest or activity. This coverage also does not apply while that covered "auto" is being prepared for such a contest or activity.

11. War And Military Action

"Bodily injury" or "property damage" due to:

- a) War, including undeclared or civil war:
- b) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- c) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

12. Workers' Compensation

Any obligation for which the "Named Member" or the Pool may be held liable under any workers' compensation, disability benefits or unemployment compensation law or any similar law.

C. LIMITS OF LIABILITY

1. Regardless of the number of covered "autos", "members", membership fees paid, "claims" made or vehicles involved in the "accident", the most the Pool will pay for the total of all "damages" resulting from any one "accident" is the Limit Of Liability for Municipal Auto Liability shown in the Municipal Auto Declarations.
2. All "bodily injury" and "property damage" resulting from continuous or repeated exposure to substantially the same conditions will be considered as resulting from one "accident".
3. No one will be entitled to receive duplicate payments for the same elements of "loss" under this coverage and any Medical Payments Coverage, Uninsured Motorists Coverage or Underinsured Motorists Coverage included in this Coverage Agreement.

D. DEDUCTIBLE

1. The Pool's obligation to pay "damages" on the "member's" behalf applies only to the amount of "damages" in excess of any Deductible stated in the Municipal Auto Declarations.
2. The Municipal Auto Liability Deductible amount applies to all "damages" as the result of any one "accident", regardless of the number of persons or organizations who sustain "damages" because of that "accident".
3. To settle any "claim" or "suit", the Pool may pay all or part of any Deductible shown in the Auto Declarations. If this happens, the "Named Member" must promptly reimburse the Pool for the Deductible or the part of the Deductible the Pool paid.

E. MEMBERS

1. Who Is Covered

- a) For any covered "auto", the city, town or other governmental body or entity named as the "Named Member" in the Declarations.

Unless specifically named in an endorsement, "Named Member" does not include:

- 1) A gas, airport, electrical, or steam utilities commission;
- 2) A port authority, housing and re-development authority, economic development authority, area or municipal redevelopment authority, or similar agency;
- 3) A municipal power agency or municipal gas agency;
- 4) A hospital or nursing home board or commission;
- 5) A welfare or public relief agency;
- 6) A school board; or
- 7) A "joint venture", except as provided in Paragraph 2.b. (1) below.

- b) Each of the following is also a "member":

- 1) Any elected or appointed official or "employee" of the "Named Member", while acting within the course and scope of their duties on behalf of:
 - a) The "Named Member"; or
 - b) Another governmental entity pursuant to a mutual aid agreement;
for any covered "auto".
- 2) Anyone else while using with the "Named Member's" permission a covered "auto" the "Named Member" owns, hires or borrows, or anyone else volunteering services to the member and acting on behalf of the "Named Member" while using a covered "auto" the "Named Member" doesn't own, hire or borrow, except:
 - a) Someone using a covered "auto" while he or she is working in a business of selling, servicing, repairing, parking or storing "autos" unless that business is the "Named Member's".
 - b) Anyone other than the "Named Member's" "employees", or a lessor or borrower of any of their "employees", while moving property to or from a covered "auto".
- 3) Anyone liable for the conduct of a "Named Member" described above but only to the extent of that liability.

However, no one is a "member" while operating a vehicle if that person:

- 1) Is under the minimum age to obtain a driver's license;
- 2) Does not have a valid driver's license;
- 3) Has a suspended or revoked driver's license; or

- 4) Has a restricted driver's license and is operating a vehicle beyond the scope of such restriction.

F. COVERED EXPENSES AND COSTS

The Pool will pay, with respect to any "claim" the Pool investigates or settles or any "suit" against an "member" the Pool defends:

1. Expenses the Pool incurs including attorney's fees in defense of the "suit".
2. The cost of bonds to release attachments, but only for bond amounts within the applicable Limit Of Liability. The Pool does not have to furnish these bonds.
3. All reasonable expenses incurred by a "member" at the Pool's request to assist in the investigation or defense of the "claim" or "suit", including actual loss of earnings up to \$100 a day because of time off from work.
4. All costs, other than attorney's fees, taxed against the "member" in the "suit".
5. Prejudgment interest awarded against the "member" on that part of the judgment the Pool pays. If the Pool makes an offer to pay the applicable Limit Of Liability, the Pool will not pay any prejudgment interest incurred that accrued after the offer.
6. All interest on the full amount of any judgment that accrues after entry of the judgment and before the Pool has paid, offered to pay, or deposited in court the part of the judgment that is within the applicable Limit of Liability.

These payments will not reduce the Limits Of Liability unless otherwise noted in the Limits of Liability section.

SECTION III - MUNICIPAL AUTO MEDICAL PAYMENTS COVERAGE

A. COVERAGE AGREEMENT

The Pool will pay reasonable expenses incurred for necessary medical and funeral services to or for a "member" who sustains "bodily injury" caused by an "auto" "accident" during the "rating period". The Pool will pay only those expenses incurred for services rendered within three years from the date of the "accident".

B. EXCLUSIONS

This coverage does not apply to any of the following:

1. "Bodily injury" sustained by a "member" while "occupying" a vehicle located for use as a premises.
2. "Bodily injury" to the "Named Member's" "employee" arising out of and in the course of employment by the "Named Member".
3. "Bodily injury" caused by declared or undeclared war or insurrection or any of their consequences.
4. "Bodily injury" to anyone using a vehicle without a reasonable belief that the person is entitled to do so.
5. "Bodily injury" sustained by a "member" while "occupying" any covered "auto" while used in any professional racing or demolition contest or stunting activity, or while practicing for such contest or activity. This coverage also does not apply to any "bodily injury" sustained by the "member" while the "auto" is being prepared for such a contest or activity.

C. LIMITS OF LIABILITY

1. Regardless of the number of covered "autos", "members", membership fees paid, "claims" made or vehicles involved in the "accident", the most the Pool will pay for "bodily injury" for each Member injured in any one "accident" is the Limit Of Liability for Municipal Auto Medical Payments shown in the Declarations.
2. No one will be entitled to receive duplicate payments for the same elements of "loss" under this coverage and the Municipal Auto Liability Coverage, Uninsured Motorists Coverage, or Underinsured Motorists Coverage included in this Coverage Agreement.

D. MEMBERS

Anyone "occupying" a covered "auto" or a temporary substitute for a covered "auto". If the "auto" is a temporary substitute, the covered "auto" must be out of service because of breakdown, repair, servicing, "loss" or destruction.

SECTION IV - UNINSURED AND UNDERINSURED MOTORISTS COVERAGE

A. COVERAGE AGREEMENT

1. The Pool will pay all "damages" a "member" is legally entitled to recover as compensatory "damages" from the owner or driver of an "uninsured motor vehicle" or "underinsured motor vehicle".

This Coverage Agreement only applies if:

- a) the "damages" result from "bodily injury" sustained by an "member" caused by an "accident" during the "rating period";
 - b) the owner's or driver's liability for these "damages" result from the ownership, maintenance or use of the "uninsured motor vehicle" or "underinsured motor vehicle".
2. Any judgment for "damages" arising out of a "suit" brought without the Pool's written consent is not binding on the Pool.

B. EXCLUSIONS

This coverage does not apply to any of the following:

1. Punitive or exemplary damages.
2. Any claim or suit settled without the Pool's consent.
3. The direct or indirect benefit of any insurer or self-insurer under any workers' compensation, disability benefits or similar law.
4. Anyone using a vehicle without a reasonable belief that the person is entitled to do so.
5. "Bodily injury" sustained by an "member" or any "member's" "family member" while "occupying" or struck by any vehicle owned by any "member" or "family member" which is not a covered "auto".

C. LIMITS OF LIABILITY

1. Regardless of the number of covered "autos", "members", membership fees paid, "claims" made or vehicles involved in the "accident", the most the Pool will pay for all "damages" resulting from any one "accident" is the Limit Of Liability for Uninsured/Underinsured Motorists shown in the Declarations.

2. No one will be entitled to receive duplicate payments for the same elements of "loss" under this coverage and any Liability Coverage or Medical Payments Coverage included in this Coverage Agreement.
3. The Pool will not:
 - a) Make a duplicate payment under this coverage for any element of "loss" for which payment has been made by or for anyone who is legally responsible, including all sums paid under any Municipal Liability Coverage; or
 - b) Pay for any element of "loss" for which a "member" is entitled to receive payment under any workers' compensation, disability benefits or similar law.

D. MEMBERS

Anyone occupying a covered "auto" or a temporary substitute for a covered "auto". If the "auto" is a temporary substitute, the covered "auto" must be out of service because of breakdown, repair, servicing, "loss" or destruction.

Anyone for "damages" he or she is entitled to recover because of "bodily injury" sustained by another member".

SECTION V - PHYSICAL DAMAGE COVERAGE

A. COVERAGE AGREEMENT

1. The Pool will pay for "loss" to a covered "auto" or its equipment under:

- a) Comprehensive Coverage

From any cause except:

- 1) The covered "auto's" collision with another object; or
- 2) The covered "auto's" overturn.

- b) Collision Coverage

Caused by:

- 1) The covered "auto's" collision with another object; or
- 2) The covered "auto's" overturn.

2. Glass Breakage – Hitting A Bird Or Animal – Falling Objects Or Missiles

If the Member carries Comprehensive Coverage for the damaged covered "auto", the Pool will pay for the following under Comprehensive Coverage:

- a) Glass breakage;
- b) "Loss" caused by hitting a bird or animal; and c) "Loss" caused by falling objects or missiles.

However, the "member" has the option of having glass breakage caused by a covered "auto's" collision or overturn considered a "loss" under Collision Coverage.

No deductible applies to glass breakage.

B. EXCLUSIONS

1. The Pool will not pay for "loss" caused by or resulting from any of the following exclusions. Such "loss" is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the "loss".

a) **Nuclear Hazard**

Nuclear reaction or radiation, or radioactive contamination, however caused.

b) **War And Military Action**

1) War, including undeclared or civil war.

2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

3) Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.

c). **Racing or Demolition Contest.** The Pool will not pay for "loss" to any covered "auto" while used in any professional or organized racing or demolition contest or stunting activity or while practicing for such contest or activity. The Pool will also not pay for "loss" to any covered "auto" while that covered "auto" is being prepared for such a contest or activity.

d). **Wear and Tear/Blowouts.** The Pool will not pay for "loss" caused by or resulting from any of the following unless caused by other "loss" that is covered by this coverage:

1) Wear and tear, freezing, mechanical or electrical breakdown;

2) Blowouts, punctures or other road damage to tires.

e). **Equipment.** The Pool will not pay for "loss" to any of the following:

1) Tapes, records, discs or other similar audio, visual or data electronic devices designed for use with audio, visual or data electronic equipment.

2) Any device designed or used to detect speed measuring equipment such as radar or laser detectors and any jamming apparatus intended to elude or disrupt speed measurement equipment.

3) Any electronic equipment, not permanently installed, that receives or transmits audio, visual or data signals.

4) Any accessories used with the electronic equipment described in

Paragraph B . above. Exclusions1. e.3. and e.4. do not apply to:

a) Equipment designed to receive or transmit audio, visual

or data electronic signals, and any accessories used with such equipment, provided such equipment is permanently installed in the covered "auto" at the time of the "loss" or such equipment is removable from a housing unit which is permanently installed in the covered "auto" at the time of the "loss", and such equipment is designed to be solely operated by use of the power from the "auto's" electrical system, in or upon the covered "auto";

b) Any other electronic equipment that is:

1) Necessary for the normal operation of the covered "auto" or the monitoring of the covered "auto's" operating system; or

2) An integral part of the same unit housing any equipment described in a. above permanently installed in the opening of the dash or console of the covered "auto" normally used by the manufacturer for installation of a radio.

f. **Diminution in Value.** The Pool will not pay for "loss" to a covered "auto" due to "diminution in value".

C. LIMITS OF COVERAGE

1. The most the Pool will pay for "loss" in any one "accident" is the lesser of:

- a) The actual cash value of the damaged or stolen property as of the time of the "loss"; or
- b) The cost of repairing or replacing the damaged or stolen property with other property of like kind and quality.

2. In the event of a total "loss" to a covered "auto", the Pool will pay the greater of:

- a) The amount payable under Paragraph 1., above; and
- b) Any unpaid amount due on the lease or loan for the covered "auto", less any:
 - 1) Overdue lease/loan payments at the time of the "loss";
 - 2) Financial penalties imposed under a lease for excessive use, abnormal wear and tear or high mileage;
 - 3) Security deposits not returned by the lessor;
 - 4) Costs for extended warranties, Credit Life Insurance, Health, Accident or Disability Insurance purchased with the loan or lease; and
 - 5) Carry-over balances from previous loans or leases.

An adjustment for depreciation and physical condition will be made in determining the actual cash value at the time of the total "loss".

A total "loss" means a "loss" in which the cost of repairs plus the salvage value exceeds

the actual cash value.

Paragraph 2.b. applies only to the original lease or loan written on the covered "auto".

3. If the "auto" is hired, the most the Pool will pay for all loss is \$100,000.

D. DEDUCTIBLE

For each covered "auto", the Pool's obligation to pay for, repair, return or replace damaged or stolen property will be reduced by the applicable Deductible shown in the Declarations.

SECTION VI -DEFINITIONS

A. "ACCIDENT" includes continuous or repeated exposure to the same conditions resulting in "bodily injury" or "property damage".

B. "AUTO" means:

1. A land motor vehicle, trailer or semi-trailer designed for travel on public roads; or
2. An all-terrain vehicle licensed for road use; including any attached machinery or equipment. But "auto" does not include "mobile equipment".

C. "BODILY INJURY" means bodily injury, sickness or disease sustained by a person including death resulting from any of these.

D. "CLAIM" means a demand for "damages" arising from an alleged "accident".

E. "COVERED CONTRACT" means:

1. A lease of premises;
2. A sidetrack agreement;
3. Any easement or license agreement, including those for vehicle or pedestrian private railroad crossings at grade, but not including easements or license agreements in connection with construction or demolition operations on or within 500 feet of a railroad;
4. An obligation, as required by ordinance, to indemnify a municipality;
5. That part of any other contract or agreement pertaining to the Member's municipal activities under which the Member assumes the tort liability of another to pay for "bodily injury" or "property damage" to a third party or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement;
6. That part of any contract of agreement entered into, as part of the Member's municipal activities, pertaining to the rental or lease, by the Member or any of the Member's officials or "employees", of any "auto". However, such contract or agreement shall not be considered a "covered contract" to the extent that it obligates the Member or any of the Member's officials or "employees" to pay for "property damage" to any "auto" rented or leased by the Member or any of the Member's officials or "employees".

A "covered contract" does not include that part of any contract or agreement:

1. That indemnifies a railroad for "bodily injury" or "property damage" arising out of

construction or demolition operations, within 500 feet of any railroad property and affecting any railroad bridge or trestle, tracks, roadbeds, tunnel, underpass or crossing; or

2. That pertains to the loan, lease or rental of an "auto" to the Member or to any of the Member's "employees", if the "auto" is loaned, leased or rented with a driver; or
3. That holds a person or organization engaged in the business of transporting property by "auto" for hire harmless for the Member's use of a covered "auto" over a route or territory that person or organization is authorized to serve by public authority.

F. "DAMAGES" means money paid to another for injury.

"Damages" does not include:

1. Taxes, fines or penalties, including those imposed under the Internal Revenue Code or any similar state or local law;
2. Repayment of any tax or assessment that was wrongfully obtained, or any interest on such tax or assessment; or
3. Amounts paid or payable for the purchase or permanent acquisition of property or property rights, or for the right to permanently enforce an ordinance, regulation, or restriction on the use of property.

G. "DIMINUTION IN VALUE" means the actual or perceived loss in market value or resale value which results from a direct and accidental "loss".

H. "EMPLOYEE" means any natural person:

1. While in the "Named Member's" service;
2. Who the "Named Member" compensates directly by salary, wages or commissions; and
3. Who the "Named Member" has the right to direct and control while performing services for the "Named Member".

"Employee" does not mean or include any agent, independent contractor or representative acting in the same general capacity.

I. "FAMILY MEMBER" means a person related to a "member" by blood, marriage, or adoption who is a resident of the "member's" household, including a ward or foster child.

J. "JOINT VENTURE" means a joint powers agreement, intergovernmental agreement, mutual aid agreement, or any similar agreement, including any entity, corporation, association, partnership or other arrangement formed by that agreement.

K. "LOSS" means direct and accidental loss or "damages".

L. "MOBILE EQUIPMENT" means any of the following types of land vehicles, including any attached machinery or equipment:

1. Bulldozers, farm machinery, forklifts, all-terrain vehicles not licensed for road use, and other vehicles designed for use principally off public roads;
2. Street cleaning equipment not licensed for road use;
3. Vehicles that travel on crawler treads;

4. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
 - a) Power cranes, shovels, loaders, diggers or drills; or
 - b) Road construction or resurfacing equipment such as graders, scrapers or rollers
5. Vehicles not described in Paragraphs 1., 2., 3. or 4. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
 - a) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
 - b) Cherry pickers and similar devices used to raise or lower workers.
6. Vehicles not described in Paragraphs 1., 2., 3., 4. or 5. above maintained primarily for purposes other than the transportation of persons or cargo.

However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":

- a) Street cleaning equipment, if licensed for road use;
- b) Equipment designed primarily for:
 - 1) Snow removal; or
 - 2) Road maintenance, but not construction or resurfacing;
 - a) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and
 - b) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

- M.** "OCCUPYING" means in or upon or getting in, on, out or off.
- N.** "POLLUTANTS" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
- O.** "PRIVATE PASSENGER AUTO" means a four-wheel "auto" of the private passenger, station wagon, or sport utility vehicle (SUV) type. A pickup, panel truck, minivan or full-size van is not considered to be a "private passenger auto".
- P.** "PROPERTY DAMAGE" means damage to or loss of use of tangible property.
- Q.** "RATING PERIOD" means the Rating Period shown in the Declarations.
- R.** "SUIT" means a civil proceeding in which covered "damages" are alleged. "Suit" includes:
1. An arbitration proceeding in which such "damages" are claimed and to which the "member" must submit or does submit with the Pool's consent; or

2. Any other alternative dispute resolution proceeding in which such "damages" are claimed and to which the "member" submits with the Pool's consent.

"Suit" does not mean any criminal proceeding against any "member" or any open meeting law proceeding.

- S.** "TRAILER" includes semitrailer. But "trailer" does not include "mobile equipment".
- T.** "UNDERINSURED MOTOR VEHICLE" means a land motor vehicle or "trailer" for which the sum of all bonds or policies applicable at the time of an "accident" does not provide at least the amount a "member" is legally entitled to recover as "damages" resulting from "bodily injury" caused by an "accident".
- U.** "UNINSURED MOTOR VEHICLE" means a land motor vehicle or "trailer":
1. For which no liability bond or policy at the time of an "accident" provides at least the amount specified in Section 28-4009 of the Arizona Revised Statutes;
 2. For which an insuring or bonding company denies coverage or is or becomes insolvent; or
 3. That is a hit-and-run vehicle and neither the driver nor owner can be identified. The vehicle must hit a covered member, a covered "auto", or a vehicle a covered member is "occupying".

SECTION VII - CONDITIONS

A. APPRAISAL FOR PHYSICAL DAMAGE LOSS

If the "member" and the Pool disagree on the amount of "loss", either may demand an appraisal of the "loss". In this event, each party will select a competent appraiser. The two appraisers will select a competent and impartial umpire. The appraisers will state separately the actual cash value and amount of "loss". If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

1. Pay its chosen appraiser; and
2. Bear the other expenses of the appraisal and umpire equally.

If the Pool submits to an appraisal, the Pool will still retain the right to deny the claim.

B. ARBITRATION

With respect to Section IV – Uninsured And Underinsured Motorists Coverage:

1. If the Pool and a "member" disagree whether the "member" has sustained "damages" caused by the owner or driver of an "uninsured motor vehicle" or "underinsured motor vehicle" or do not agree as to the amount of "damages" recoverable by that "member", then the matter may be arbitrated. No other dispute arising out of this agreement, including any dispute regarding entitlement to coverage under this Coverage Agreement, is subject to arbitration. Either party may make a written demand for arbitration.
2. If either party makes a written demand for arbitration, the "member" and the Pool shall each select an arbitrator. The two arbitrators shall select a third arbitrator. If the two

arbitrators cannot agree on a third arbitrator within thirty days, then on joint application by the "member" and the Pool, a third arbitrator will be appointed by a court having jurisdiction.

3. Unless the "member" and the Pool agree otherwise, arbitration shall take place in the county in which the "member" has its principal place of business. Local rules of law as to arbitration procedure and evidence shall apply. Each party shall pay the expense it incurs to select an arbitrator and bear the third arbitrator's expenses equally. No attorney fees or costs may be awarded or recovered in any claim submitted to arbitration.
4. A decision by at least two of the arbitrators will be binding as to:
 - a) Whether the "member" sustained damages caused by the owner or driver of the "uninsured motor vehicle" or "underinsured motor vehicle"; and
 - b) The amount of damages. This applies only if the amount awarded does not exceed the minimum limit for bodily injury liability specified by the financial responsibility law of the State of Arizona. If the amount awarded exceeds that limit, either party may demand a trial. This demand must be made within 60 days of the arbitrators' decision. If neither party demands a trial, the amount of damages awarded will be binding subject to the Limit Of Coverage for Uninsured/Underinsured Motorists and the terms and conditions of the Coverage Agreement.

C. BANKRUPTCY

Bankruptcy or insolvency of the "member" or the "member's" estate will not relieve the Pool of any obligations under this Coverage Part.

D. COVERAGE PERIOD AND COVERAGE TERRITORY

Under this Coverage Agreement, the Pool covers "accidents" and "losses" occurring:

1. During the "rating period"; and
2. With in the Coverage Territory. The Coverage Territory is:
 - a) The United States of America (including its territories and possessions); and
 - b) Canada.

The Pool also covers "loss" to or "accidents" involving a covered "auto" while being transported between any of these places.

E. DUTIES IN THE EVENT OF ACCIDENT, CLAIM, SUIT OR LOSS

The Pool has no duty to provide coverage under this Coverage Part unless there has been full compliance with the following duties: In the event of "accident", "claim", "suit" or "loss", the "member" must give the Pool or any of its authorized representatives prompt notice of the "accident" or "loss", including:

- a) How, when and where the "accident" or "loss" occurred;
- b) Details sufficient to identify the "member"; and

- c) To the extent possible, the names and addresses of any injured persons and witnesses.
2. Additionally, the "member" must:
- a) Assume no obligation, make no payment and incur no expense other than for first aid to others without the Pool's consent except at the "member" own cost.
 - b) Immediately send the Pool copies of any request, demand, order, notice, summons or legal paper received concerning the "claim" or "suit".
 - c) Cooperate with the Pool in the investigation or settlement of the "claim" or defense against the "suit", including, but not limited to:
 - 1) Attending hearings and trials; and
 - 2) Assisting in the gathering of evidence and obtaining of witness statements.
 - d) Authorize the Pool to obtain medical records or other pertinent information
 - e) Submit to examination, at the Pool's expense, by physicians of the Pool's choice, as often as the Pool reasonably requires.
 - f) Promptly take, at the "member's" own expense, all reasonable steps to prevent any additional injury or damage from arising out of the same or similar conditions.
3. In the event of an "accident", "claim", "suit" or "loss" involving an "uninsured motor vehicle" or "underinsured motor vehicle", the "member" must also do the following:
- a) Promptly notify the police if a hit-and-run driver is involved; and
 - b) Promptly send the Pool copies of the legal papers if "suit" is brought.
4. If there is "loss" to a covered "auto" or its equipment the "member" must also do the following:
- a) Promptly notify the police if the covered "auto" or any of its equipment is stolen.
 - b) Take all reasonable steps to protect the covered "auto" from further damage. Also keep a record of related expenses for consideration in the settlement of the claim.
 - c) Permit the Pool to inspect the covered "auto" and records proving the "loss" before its repair or disposition.
 - d) Agree to examinations under oath at the Pool's request and give the Pool a signed statement of the "member" answers.

F. LEGAL ACTION AGAINST THE POOL

1. No one may bring a legal action against the Pool under this Coverage Part until:
- a) There has been full compliance with all the terms of this

Coverage Part; and b) Under Municipal Auto Liability Coverage:

- 1) The Pool agrees in writing that the Member has an obligation to pay; or
 - 2) The amount of that obligation has finally been determined by judgment after trial.
2. No one has the right under this Coverage Agreement to bring the Pool into an action to determine the "member's" liability.
 3. Any legal action by the "member" against the Pool for breach of this coverage must be filed within one year of the date of the alleged breach.

G. LOSS PAYMENT – PHYSICAL DAMAGE COVERAGES

The Pool may, at its option:

1. Pay for, repair or replace damaged stolen property;
2. Return the stolen property, at the Pool's expense. The Pool will pay for any damage that results to the "auto" from the theft.

If the Pool pays for "loss", the payment will include the applicable sales tax for the damaged or stolen property.

H. NO BENEFIT TO BAILEE – PHYSICAL DAMAGE COVERAGES

The Pool will not recognize any assignment or grant any coverage for the benefit of any person or organization holding, storing or transporting property for a fee regardless of any other provision of this Coverage Part.

I. TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US

1. With respect to Section II – Municipal Auto Liability Coverage and Section V – Physical Damage Coverage, if any person or organization to or for whom the Pool makes payment under this Coverage Agreement has rights to recover damages from another, those rights are transferred to the Pool. That person or organization must do everything necessary to secure the Pool's rights and must do nothing after "accident" or "loss" to impair them.
2. With respect to Section IV – Uninsured and Underinsured Motorists Coverage, if the Pool makes any payment under this coverage, and the "member", or someone on behalf of the "member", has a right to recover damages from the owner or operator of an "uninsured motor vehicle", the Pool shall be subrogated to that right to the extent permitted by law.
3. This Condition does not apply to Section III – Auto Medical Payments Coverage

J. GOVERNMENTAL TORT LIABILITY LIMITATION

By accepting coverage under this Coverage Agreement, the "member" does not waive any of its statutory immunities for monetary limits of liability (commonly known as tort liability damages caps), and the Pool shall not be liable for any "claims" in excess of the statutory monetary limits unless the statutory tort limitation is found by a court not to apply. If "claims" are asserted in any judicial jurisdiction where statutory liability damage caps do not apply, then the Limits of Liability shown in the Declarations and further described in the Limits of Liability apply.

K. REPRESENTATIONS

By accepting this Coverage Agreement, the Member agrees:

1. The statements in the Declarations and applications are accurate and complete;
2. Those statements are based upon representations the "member" made to the Pool;
3. The Pool has issued this Coverage Agreement in reliance upon the "member's" representations; and
4. The "member" does not waive any statutory or common law immunity.

L. OTHER COVERAGE

The coverage afforded by this coverage agreement is excess over any other insurance, self-insurance or other risk transfer agreement, whether primary, excess, contingent or provided on any other basis, whether collectible or not. Specifically, this coverage is excess over any "employee's" personal auto insurance. This provision does not apply to any policy that is written to be excess over this coverage agreement.

M. INSPECTION AND AUDIT

1. The Pool will be permitted, but is not obligated, to inspect the "Named Member's" property and operations. The purpose of these inspections is to assist the Pool in underwriting and assessing the risk. It is understood and agreed that in undertaking these inspections the Pool does not warrant or guarantee that the property or operations are safe or are in compliance with any law, rule, or regulation.
2. The Pool may examine and audit the "Named Member's" relevant books and records at any time during the "rating period" or any extension and within three (3) years after the final termination of this coverage agreement.

N. CHANGES, ASSIGNMENT AND SUBROGATION

This coverage agreement contains all the agreements between the Pool and all "member" concerning the coverage afforded. The "Named Member" shown in the Declarations is authorized to make changes to the terms of this coverage agreement with the consent of the Pool. The coverage agreement's terms can be amended or waived only by endorsement issued by the Pool and made a part of this coverage agreement.

Assignment of interest or any transfer or waiver of subrogation under this coverage agreement shall not bind the Pool unless and until the Pool's consent is endorsed to this coverage



THIS ENDORSEMENT CHANGES THE COVERAGE AGREEMENT. PLEASE READ IT CAREFULLY.

ARIZONA MUNICIPAL RISK RETENTION POOL ADDITIONAL COVERED ENTITY ENDORSEMENT

THIS ENDORSEMENT MODIFIES COVERAGE PROVIDED UNDER THE FOLLOWING:

MUNICIPAL AUTO LIABILITY COVERAGE FORM AZMAC

The following is added to the various "member" Sections of the Municipal Auto Liability Coverage Form:

A. ADDITIONAL INSURED

Any person or organization named as an Additional Member on a Certificate of Insurance on file with Southwest Risk Services, the designated administrator for the Arizona Municipal Risk Retention Pool, is also a "member", but only with respect to:

1. The ownership, maintenance or use of the designated "auto"; or
2. The other interest described in the Additional Insured Certificate of Insurance.



THIS ENDORSEMENT CHANGES THE COVERAGE AGREEMENT. PLEASE READ IT CAREFULLY.

ARIZONA MUNICIPAL RISK RETENTION POOL AUTO LOSS PAYABLE ENDORSEMENT

THIS ENDORSEMENT MODIFIES INSURANCE PROVIDED UNDER THE FOLLOWING:

MUNICIPAL AUTO COVERAGE FORM AZMAC

SCHEDULE

Per the Additional Insured/Loss Payee Certificates on file with Southwest Risk Services, the designated administrator for the Arizona Municipal Risk Retention Pool, the following Condition is added to the Municipal Auto Liability Policy:

A. LOSS PAYABLE

1. The Pool will pay the "member" and the Loss Payee named in the Schedule for "loss" to a covered "auto", as interest may appear.
2. The interest of the loss payee is covered unless the "loss" results from fraudulent acts or omissions on any "member's" part.
3. The Pool may cancel the Policy as allowed by the Cancellation Common Condition.
Cancellation ends this agreement as to the loss payee's interest. If the Pool cancels the Policy, the Pool will mail the "member" and the loss payee the same advance notice.
4. If the Pool makes any payments to the loss payee, the Pool will obtain his or her rights against any other party.



THIS ENDORSEMENT CHANGES THE COVERAGE AGREEMENT. PLEASE READ IT CAREFULLY.

ARIZONA MUNICIPAL RISK RETENTION POOL LIMITED MEXICO COVERAGE ENDORSEMENT

THIS ENDORSEMENT MODIFIES COVERAGE PROVIDED UNDER THE FOLLOWING:

MUNICIPAL AUTO COVERAGE FORM AZMAC

WARNING

AUTO ACCIDENTS IN MEXICO ARE SUBJECT TO THE LAWS OF MEXICO ONLY – **NOT** THE LAWS OF THE UNITED STATES OF AMERICA. THE REPUBLIC OF MEXICO CONSIDERS ANY AUTO ACCIDENT A **CRIMINAL OFFENSE** AS WELL AS A CIVIL MATTER.

IN SOME CASES THE COVERAGE PROVIDED UNDER **THIS ENDORSEMENT MAY NOT BE RECOGNIZED BY THE MEXICAN AUTHORITIES** AND WE MAY NOT BE ALLOWED TO IMPLEMENT THIS COVERAGE AT ALL IN MEXICO. YOU SHOULD CONSIDER PURCHASING AUTO COVERAGE FROM A LICENSED MEXICAN INSURANCE COMPANY BEFORE DRIVING INTO MEXICO.

A. COVERAGE

The following is added to the Coverage Period and Coverage Territory Condition in the Municipal Auto Policy:

The Coverage Territory is extended to include Mexico but only for trips into Mexico of 10 days or less.

B. EXCLUSIONS

The following Exclusions apply in addition to the Exclusions in all sections of the Municipal Auto Policy:

This insurance does not apply:

1. If the covered "auto" is not principally garaged and principally used in the United States.
2. To any "member" who is not a resident of the United States.

C. CONDITIONS

With respect to the coverage provided by this endorsement,

1. The coverage provided by this endorsement will be excess over any other collectible insurance.
2. The following Conditions also apply:
 - a. The Pool will not pay for "damages" because of "bodily injury" or "property damage" caused by an "accident" that occurs in the Republic of Mexico unless the original "suit" for "damages" is brought within the United States of America.
 - b. If a "loss" to a covered "auto" occurs in Mexico, the Pool will pay for such "loss" in the United States. If the covered "auto" must be repaired in Mexico in order to be driven:
 1. The Pool will not pay more than the actual cash value of such "loss" at the nearest United States point where the repairs can be made; and
 2. The Pool will not pay the cost of towing, transportation and salvage operations while the covered "auto" is in Mexico.



ARIZONA MUNICIPAL RISK RETENTION POOL MUNICIPAL CRIME COVERAGE

DECLARATIONS

Policy # 2000169-1

Replaces Policy # AM40172016

THIS DECLARATIONS PAGE AND THE ATTACHED MUNICIPAL CRIME COVERAGE AGREEMENT COMPLETE THIS COVERAGE PART.

Item 1. "Named Member" and Principal Address:

San Luis, City Of
PO Box 1170
San Luis, AZ 85349

Item 2. CONTINUOUS COVERAGE PERIOD EFFECTIVE:

12:01 A.M. Standard Time at Mailing Address
on Common Coverage Declarations

Rating Period From: 07/01/2017 To: 07/01/2018

Item 3. THE COVERED NAMED MEMBER IS: Municipality

IN RETURN FOR THE PAYMENT OF MEMBERSHIP FEES, THE POOL AGREES TO PROVIDE THE MEMBER WITH THE FOLLOWING COVERAGES FOR WHICH A MEMBERSHIP FEE IS SHOWN, SUBJECT TO ALL THE TERMS AND CONDITIONS OF THE POOL'S INTERGOVERNMENTAL AGREEMENT AND THE APPLICABLE COVERAGE AGREEMENTS AND ENDORSEMENTS:

Item 4. SCHEDULE OF COVERAGES:

| Insuring Agreements | Limit Of Insurance Per Occurrence | Deductible Amount Per Occurrence |
|--|--------------------------------------|-------------------------------------|
| 1. Employee Theft Per Loss Coverage | \$ 500,000 | \$ |
| 2. Employee Theft Per Employee Coverage | \$ Not Covered | \$ Not Covered |
| 3. Forgery Or Alteration | \$ 500,000 | \$ |
| 4. Inside The Premises Theft Of Money And Securities | \$ 5,000 | \$ 250 |
| 5. Inside The Premises Robbery Or Safe Burglary Of Other Property | \$ 5,000 | \$ 250 |
| 6. Outside The Premises | \$ 5,000 | \$ 250 |
| 7. Computer Fraud | \$ 500,000 | \$ 250 |
| 8. Funds Transfer Fraud | \$ 500,000 | \$ 250 |
| 9. Money Orders And Counterfeit Money | \$ 5,000 | \$ 250 |

If "Not Covered" is inserted above opposite any specified Insuring Agreement, there is no coverage afforded under that insuring agreement.

OPTIONAL If Added by Endorsement:

| Insuring Agreement(s) | Limit Of Insurance Per Occurrence | Deductible Amount Per Occurrence |
|--|--------------------------------------|-------------------------------------|
| Faithful Performance Bond | \$ 500,000 | \$ |
| Faithful Performance Bond - Individual | \$ Not Covered | \$ Not Covered |

Item 5. COVERAGE AGREEMENTS AND ENDORSEMENTS APPLICABLE TO CRIME

AZMCE1 (07/16)

Item 6. LOCATIONS: BLANKET COVERAGE FOR ALL LOCATIONS



MUNICIPAL CRIME COVERAGE AGREEMENT

VARIOUS PROVISIONS IN THIS MUNICIPAL CRIME AGREEMENT RESTRICT COVERAGE. READ THE ENTIRE COVERAGE AGREEMENT CAREFULLY TO DETERMINE RIGHTS, DUTIES AND WHAT IS OR IS NOT COVERED.

OTHER WORDS AND PHRASES THAT APPEAR IN QUOTATION MARKS HAVE SPECIAL MEANING. REFER TO **SECTION F. DEFINITIONS** OR THE **COMMON CONDITIONS**.

A. COVERAGE AGREEMENTS

Coverage is provided under the following coverage agreements for loss a "Named Member" sustains if:

- a. an amount is shown on the applicable Limit of Coverage in the Declarations;
- b. the loss directly results from an "occurrence"; and
- c. the "Named Member" "discovers" the loss during the rating period or during the period of time provided in the Extended Period to Discovery Loss Condition E.1.f.

1. Employee Theft - Per Loss Coverage

The Pool will pay for loss of or damage to "money", "securities" and "other property" resulting directly from "theft" committed by an "employee", whether identified or not, acting alone or in collusion with other persons.

For the purposes of this Coverage agreement, "theft" shall also include forgery.

2. Employee Theft - Per Employee Coverage

The Pool will pay for loss of or damage to "money", "securities" and "other property" resulting directly from "theft" committed by each "employee", whether identified or not, acting alone or in collusion with other persons.

For the purposes of this Coverage agreement, "theft" shall also include forgery.

3. Forgery Or Alteration

- a. The Pool will pay for loss resulting directly from "forgery" or alteration of checks, drafts, promissory notes, or similar written promises, orders or directions to pay a sum certain in "money" that are:

1. Made or drawn by or drawn upon the "Named Member"; or
2. Made or drawn by one acting as the "Named Member's" agent;

or that are purported to have been so made or drawn.

For the purposes of this Coverage Agreement, a substitute check as defined in the Check Clearing for the 21st Century Act shall be treated the same as the original it replaced.

- b. If the "Named Member" is sued for refusing to pay any instrument covered in Paragraph 3.a. above on the basis that it has been forged or altered, and the "Named Member" has the Pool's written consent to defend against the suit, the Pool will pay for any reasonable legal expenses that the "Named Member" incurs and pays for counsel the Pool chooses to defend the claim. The amount that the Pool will pay is in addition to the Limit of Coverage applicable to this Coverage Agreement.

4. Inside The Premises - Theft Of Money And Securities

- a. The Pool will pay for loss of "money" and "securities" inside the "premises" or "banking premises":



1. Resulting directly from "theft" committed by a person present inside such "premises" or "banking premises", or
2. Resulting directly from disappearance or destruction.
- b. The Pool will pay for loss from damage to the "premises" or its exterior resulting directly from an actual or attempted "theft" of "money" and "securities", if the "Named Member" is the owner of the "premises" or is liable for damage to it.
- c. The Pool will pay for loss of or damage to a locked safe, vault, cash register, cash box or cash dryer located inside the "premises" resulting directly from an actual or attempted "theft" or unlawful entry into those containers.
5. Inside The Premises - Robbery Or Safe Burglary Of Other Property
 - a. The Pool will pay for loss of or damage to "other property":
 1. Inside the "premises" resulting directly from an actual or attempted "robbery" of a "custodian"; or
 2. Inside the "premises" in a safe or vault resulting directly from an actual or attempted "safe burglary".
 - b. The Pool will pay for loss from damage to the "premises" or its exterior resulting directly from an actual or attempted "robbery" or "safe burglary" of "other property", if the "Named Member" is the owner of the "premises" or is liable for damage to it.
 - c. The Pool will pay for loss of or damage to a locked safe or vault located inside the "premises" resulting directly from an actual or attempted "robbery" or "safe burglary".
6. Outside The Premises
 - a. The Pool will pay for loss of "money" and "securities" outside the "premises" in the care and custody of a "messenger" or an armored motor vehicle company resulting directly from "theft", disappearance or destruction.
 - b. The Pool will pay for loss of or damage to "other property" outside the "premises" in the care and custody of a "messenger" or an armored motor vehicle company resulting directly from an actual or attempted "robbery".
7. Computer Fraud

The Pool will pay for loss of or damage to "money", "securities" and "other property" resulting directly from the use of any computer to fraudulently cause a transfer of that property from inside the "premises" or "banking premises":

 - a. To a person (other than a "messenger") outside those "premises"; or
 - b. To a place outside those "premises".
8. Funds Transfer Fraud

The Pool will pay for loss of "funds" resulting directly from a "fraudulent instruction" directing a financial institution to transfer, pay or deliver "funds" from the "Named Member's" "transfer account".
9. Money Orders And Counterfeit Paper Currency

The Pool will pay for loss resulting directly from the "Named Member's" having accepted in good faith, in exchange for merchandise, "money" or services:

 - a. Money orders issued by any post office, express company or bank that are not paid upon presentation; or
 - b. "Counterfeit money" that is acquired during the regular course of business.

B. LIMIT OF COVERAGE



The most the Pool will pay for all loss resulting directly from a covered "occurrence" is the applicable Limit of Coverage shown in the Declarations.

If any loss is covered under more than one Coverage Agreement, the most the Pool will pay for such loss shall not exceed the largest Limit of Coverage available under any one of those Coverage Agreements.

C. DEDUCTIBLE

The Pool will not pay for loss resulting directly from an "occurrence" unless the amount of loss exceeds the Deductible Amount shown in the Declarations. The Pool will then pay the amount of loss in excess of the Deductible Amount, up to the Limit of Coverage.

D. EXCLUSIONS

1. This coverage does not apply to:

a. Acts Committed By the Named Member

Loss resulting from "theft" or any other dishonest act committed by the "Named Member", whether acting alone or in collusion with other persons.

b. Acts Of Employees Learned of By the Named Member Prior to the Rating Period

Loss caused by an "employee" if the "employee" had also committed "theft" or any other dishonest act prior to the effective date of this Coverage and the "Named Member" or any of the "Named Member's" officials, not in collusion with the "employee", learned of that "theft" or dishonest act prior to the rating period shown in the Declarations.

c. Acts Of Officials, Employees Or Representatives

Loss resulting from "theft" or any other dishonest act committed by any of the "Named Member's" officials, "employees" or authorized representatives:

1. Whether acting alone or in collusion with other persons; or
2. While performing services for the "Named Member" or otherwise;

except when covered under Coverage Agreements A.1. or A.2.

d. Confidential Information

Loss resulting from:

1. The unauthorized disclosure of the "Named Member's" confidential information including, but not limited to, patents, trade secrets, processing methods or customer lists; or
2. The unauthorized use or disclosure of confidential information of another person or entity which is held by the "Named Member" including, but not limited to, financial information, personal information, health information, credit card information or similar non-public information.

e. Governmental Action

Loss resulting from seizure or destruction of property by order of governmental authority.

f. Indirect Loss

Loss that is an indirect result of an "occurrence" covered by this Coverage Agreement including, but not limited to, loss resulting from:

1. The "Named Member's" inability to realize income that would have realized had there been no loss of or damage to "money", "securities" or "other property".
2. Payment of damages of any type for which the "Named Member" is legally liable. But, the Pool will pay compensatory damages arising directly from a loss covered under this coverage.



3. Payment of costs, fees or other expenses the "Named Member" incurs in establishing either the existence or the amount of loss under this coverage.
 - g. Legal Fees, Costs And Expenses
Fees, costs, and expenses incurred by the "Named Member" which are related to any legal action, except when covered under Coverage Agreement A.3.
 - h. Nuclear Hazard
Loss or damage resulting from nuclear reaction or radiation, or radioactive contamination, however caused.
 - i. Pollution
Loss or damage caused by or resulting from pollution. Pollution means the discharge, dispersal, seepage, migration, release or escape of any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
 - j. War And Similar Actions
Loss resulting from war, whether or not declared, warlike action, insurrection, rebellion or revolution, or any related act or incident.
 - k. Employees Cancelled Under Prior Coverage
Loss caused by any "employee" of the "Named Member", or predecessor in interest of the "Named Member", for whom similar prior Coverage has been cancelled and not reinstated since the last such cancellation.
2. Coverage Agreements A.1. and A.2. do not apply to:
 - a. Bonded Employees
Loss caused by any "employee" required by law to be individually bonded unless bond coverage is included in crime coverage by the Pool.
 - b. Inventory Shortages
Loss, or that part of any loss, the proof of which as to its existence or amount is dependent upon:
 1. An inventory computation; or
 2. A profit and loss computation.However, where the "Named Member" establishes wholly apart from such computations that it has sustained a loss, then the "Named Member" may offer its inventory records and actual physical count of inventory in support of the amount of loss claimed.
 - c. Trading
Loss resulting directly or indirectly from trading, whether in the "Named Member's" name or in a genuine or fictitious account.
 - d. Treasurers Or Tax Collectors
Loss caused by any treasurer or tax collector by whatever name known.



3. Coverage Agreements A.4., A.5. and A.6. do not apply to:
 - a. Accounting Or Arithmetical Errors Or Omissions
Loss resulting from accounting or arithmetical errors or omissions.
 - b. Exchanges Or Purchases
Loss resulting from the giving or surrendering of property in any exchange or purchase.
 - c. Fire
Loss or damage resulting from fire, however caused, except:
 1. Loss of or damage to "money" and "securities"; and
 2. Loss from damage to a safe or vault.
 - d. Money Operated Devices
Loss of property contained in any money operated device unless the amount of "money" deposited in it is recorded by a continuous recording instrument in the device.
 - e. Motor Vehicles Or Equipment And Accessories
Loss of or damage to motor vehicles, trailers or semi-trailers or equipment and accessories attached to them.
 - f. Transfer Or Surrender Of Property
 1. Loss of or damage to property after it has been transferred or surrendered to a person or place outside the "premises" or "banking premises":
 - a) On the basis of unauthorized instructions;
 - b) As a result of a threat to do bodily harm to any person;
 - c) As a result of a threat to do damage to any property;
 - d) As a result of a threat to introduce a denial of service attack into the "Named Member's" computer system;
 - e) As a result of a threat to introduce a virus or other malicious instruction into the "Named Member's" computer system which is designed to damage, destroy or corrupt data or computer programs stored within the computer system;
 - f) As a result of a threat to contaminate, pollute or render substandard the "Named Member's" products or goods; or
 - g) As a result of a threat to disseminate, divulge or utilize:

The "Named Member's" confidential information; or

Weaknesses in the source code within the "Named Member's" computer system.

2. But, this Exclusion does not apply under Coverage Agreement A.6. to loss of "money", "securities" or "other property" while outside the "premises" in the care and custody of a "messenger" if the "Named Member":
 - a) Had no knowledge of any threat at the time the conveyance began; or



- b) Had knowledge of a threat at the time the conveyance began, but the loss was not related to the threat.
 - g. Vandalism
Loss from damage to the "premises" or its exterior, or to any safe, vault, cash register, cash box, cash drawer or "other property" by vandalism or malicious mischief.
 - h. Voluntary Parting Of Title To Or Possession Of Property
Loss resulting from the "Named Member", or anyone acting on the "Named Member's" express or implied authority, being induced by any dishonest act to voluntarily part with title to or possession of any property.
4. Coverage Agreement A.7. does not cover:
- a. Credit Card Transactions
Loss resulting from the use or purported use of credit, debit, charge, access, convenience, identification, stored-value or other cards or the information contained on such cards.
 - b. Funds Transfer Fraud
Loss resulting from a "fraudulent instruction" directing a financial institution to transfer, pay or deliver "funds" from the "Named Member's" "transfer account".
 - c. Inventory Shortages
Loss, or that part of any loss, the proof of which as to its existence or amount is dependent upon:
 - 1. An inventory computation; or
 - 2. A profit and loss computation.
5. Coverage Agreement A.8. does not cover:
- COMPUTER FRAUD
- Loss resulting from the use of any computer to fraudulently cause a transfer of "money", "securities" or "other property".

E. CONDITIONS

The following conditions apply in addition to the Common Conditions:

- 1. Conditions Applicable To All Coverage Agreements
 - a. Additional Premises or Employees
If, while this coverage is in force, the "Named Member" establishes any additional "premises" or hires additional "employees", such "premises" and "employees" shall automatically be covered under this coverage. Notice to the Pool of an increase in the number of "premises" or "employees" need not be given and no additional premium need be paid for the remainder of the "rating period" shown in the Declarations.
 - b. Concealment, Misrepresentation Or Fraud
This coverage is void in any case of fraud by the "Named Member" as it relates to this coverage at any time. It is also void if the "Named Member" or any other "member", at any time, intentionally conceals or misrepresents a material fact concerning:



1. This coverage;
 2. The property covered under this coverage;
 3. The "Named Member's" interest in the property covered under this coverage; or
 4. A claim under this coverage.
- c. Cooperation
- The "Named Member" must cooperate with the Pool in all matters pertaining to this coverage as stated in its terms and conditions.
- d. Duties In The Event Of Loss
- After the "Named Member" discovers a loss or a situation that may result in loss of or damage to "money", "securities" or "other property" the "Named Member" must:
1. Notify the Pool as soon as possible.
 2. Submit to examination under oath at the Pool's request and give the Pool a signed statement of the "Named Member's" answers.
 3. Produce for the Pool's examination all pertinent records.
 4. Give the Pool a detailed, sworn proof of loss within 120 days.
 5. Cooperate with the Pool in the investigation and settlement of any claim.
 6. Report all potentially criminal acts, including theft, to local authorities and cooperate in the investigation and prosecution.
- e. Employee Benefit Plans
1. The employee benefit plan(s) shown in the Declarations (hereinafter referred to as Plan) are included as "members" under Coverage Agreements A.1. or A.2.
 2. Any payment the Pool makes for loss sustained by any Plan will be made to the Plan sustaining the loss.
 3. The Deductible Amount applicable to Coverage Agreements A.1. or A.2. does not apply to loss sustained by any Plan.
- f. Extended Period To Discover Loss
- The Pool will pay for loss that the "Named Member" sustained prior to the effective date of cancellation of this coverage, which is "discovered" by the "Named Member" no later than 60 days from the date of that cancellation.
- However, this extended period to "discover" loss terminates immediately upon the effective date of any other insurance obtained by the "Named Member", whether from the Pool or another insurer, whether or not such other insurance provides coverage for loss sustained prior to its effective date.
- g. Joint Member
1. If more than one "Named Member" is named in the Declarations, the first "Named Member" will act for itself and for every other "Named Member" for all purposes of this coverage. If the first "Named Member" ceases to be covered, then the next "Named Member" will become the first "Named Member".
 2. If any "Named Member" or official of that "Named Member" has knowledge of any information relevant to this coverage, that knowledge is considered knowledge of every "Named Member".



3. An "employee" of any "Named Member" is considered to be an "employee" of every "Named Member".
4. If this coverage or any of its coverages is cancelled as to any "Named Member", loss sustained by that "Named Member" is covered only if it is "discovered" by the "Named Member" no later than 60 days from the date of that cancellation.
5. However, this extended period to "discover" loss terminates immediately upon the effective date of any other insurance obtained by that "Named Member", whether from the Pool or another insurer, replacing in whole or in part the coverage afforded under this Coverage Agreement, whether or not such other insurance provides coverage for loss sustained prior to its effective date.
6. The Pool will not pay more for loss sustained by more than one "Named Member" than the amount the Pool would pay if all the loss had been sustained by one "Named Member".
7. Payment by the Pool to the first "Named Member" for loss sustained by any "member", other than an employee benefit plan, shall fully release the Pool on account of such loss.

h. Legal Action Against The Pool

The "Named Member" may not bring any legal action against the Pool involving loss:

1. Unless the "Named Member" has complied with all the terms of this coverage;
2. Until 90 days after the "Named Member" has filed proof of loss with the Pool; and
3. Unless brought within 2 years from the date the "Named Member" "discovered" the loss.

If any limitation in this Condition is prohibited by law, such limitation is amended so as to equal the minimum period of limitation provided by such law.

i. Liberalization

If the Pool adopts any revision that would broaden the coverage under this coverage without additional premium within 45 days prior to or during the "rating period" shown in the Declarations, the broadened coverage will immediately apply to this coverage.

j. Other Coverage

If other valid and collectible insurance is available to the "Named Member" for loss covered under this coverage, the Pool's obligations are limited as follows:

1. Primary Coverage

When this coverage is written as primary coverage, and:

- a) The "Named Member" has other insurance subject to the same terms and conditions as this coverage, the Pool will pay its share of the covered loss. The Pool's share is the proportion that the applicable Limit of Coverage shown in the Declarations bears to the total limit of all coverage covering the same loss.
- b) The "Named Member" has other insurance covering the same loss other than that described in paragraph (1)(a), the Pool will only pay for the amount of loss that exceeds:
 - 1) The Limit of insurance and Deductible amount of that other insurance, whether the "Named Member" can collect on it or not;
or



The Deductible Amount shown in the Declarations;

whichever is greater. The Pool's payment for loss is subject to the terms and conditions of this coverage.

2. Excess Coverage

- a) When this coverage is written excess over other insurance, the Pool will only pay for the amount of loss that exceeds the Limit of Coverage and Deductible Amount of that other insurance, whether the "Named Member" can collect on it or not. The Pool's payment for loss is subject to the terms and conditions of this coverage.
- b) However, if loss covered under this coverage is subject to a Deductible, the Pool will reduce the Deductible Amount shown in the Declarations by the sum total of all such other insurance plus any Deductible Amount applicable to that other insurance.

k. Ownership Of Property; Interests Covered

The property covered under this Coverage is limited to property:

- 1. That the "Named Member" owns or leases;
- 2. That the "Named Member" holds for others whether or not the "Named Member" is legally liable for the loss of such property.

However, this coverage is for the "Named Member's" benefit only. It provides no rights or benefits to any other person or organization. Any claim for loss under this coverage must be presented by the "Named Member".

l. Coverage Bridge – Discovery Replacing Loss Sustained

- 1. If this coverage replaces insurance that provided the "Named Member" with an extended period of time after cancellation in which to discover loss and which did not terminate at the time this coverage became effective:
 - a) The Pool will not pay for any loss that occurred during the "rating period" of that prior insurance which is "discovered" by the "Named Member" during the extended period to "discover" loss, unless the amount of loss exceeds the Limit of Coverage and Deductible Amount of that prior insurance. In that case, the Pool will pay for the excess loss subject to the terms and conditions of this coverage.
 - b) However, any payment the Pool makes for the excess loss will not be greater than the difference between the Limit of Coverage and Deductible Amount of that prior insurance and the Limit of Coverage shown in the Declarations. The Pool will not apply the Deductible Amount shown in the Declarations to this excess loss.

- 2. The Other Insurance Condition E.1.j. does not apply to this Condition.

m. Records

The "Named Member" must keep records of all property covered under this Coverage so the Pool can verify the amount of any loss.

n. Recoveries



1. Any recoveries, whether effected before or after payment under this coverage, whether made by the Pool or the "Named Member", shall be applied net of the expense of such recovery:
 - a) First, to the "Named Member" in satisfaction of its covered loss in excess of the amount paid under this coverage;
 - b) Second, to the Pool in satisfaction of amounts paid in settlement of the "Named Member's" claim;
 - c) Third, to the "Named Member" in satisfaction of any Deductible Amount; and
 - d) Fourth, to the "Named Member" in satisfaction of any loss not covered under this coverage.
2. Recoveries do not include any recovery:
 - a) From insurance, suretyship, reinsurance, security or indemnity taken for the Pool's benefit; or
 - b) Of original "securities" after duplicates of them have been issued.
- o. Territory
This coverage covers loss that the "Named Member" sustains resulting directly from an "occurrence" taking place within the United States of America (including its territories and possessions) and Puerto Rico.
- p. Transfer Of the "Named Member's" Rights Of Recovery Against Others To The Pool
The "Named Member" must transfer to the Pool all rights of recovery against any person or organization for any loss the "Named Member" sustained and for which the Pool has paid or settled. The "Named Member" must also do everything necessary to secure those rights and do nothing after loss to impair them.
- q. Valuation — Settlement
 1. Subject to Section B. Limit Of Coverage, the value of an loss for purposes of coverage under this policy shall be determined as follows:
 - a) Loss of "money" but only up to and including its face value.
 - b) Loss of "securities" but only up to and including their value at the close of business on the day the loss was "discovered." The Pool may, at its option:
 - 1) Pay the market value of such "securities" or replace them in kind, in which event the "Named Member" must assign to the Pool all its rights, title and interest in and to those "securities"; or
 - 2) Pay the cost of any Lost Securities Bond required in connection with issuing duplicates of the "securities". However, the Pool will be liable only for the payment of so much of the cost of the bond as would be charged for a bond having a penalty not exceeding the lesser of the:
 - a. Market value of the "securities" at the close of business on the day the loss was discovered; or
 - b. The Limit of Coverage applicable to the "securities".



- c) Loss of or damage to "other property" or loss from damage to the "premises" or its exterior for the replacement cost of the property without deduction for depreciation. However, the Pool will not pay more than the least of the following:
- 1) The cost to replace the lost or damaged property with property of comparable material and quality and used for the same purpose; \
 - 2) The amount the "Named Member" actually spends that is necessary to repair or replace the lost or damaged property; or
 - 3) The Limit of Coverage applicable to the lost or damaged property.

With regard to Paragraphs q.(1)(c)(i) through q.(1)(c)(iii), the Pool will not pay on a replacement cost basis for any loss or damage:

- 1) Until the lost or damaged property is actually repaired or replaced; and
- 2) Unless the repairs or replacement are made as soon as reasonably possible after the loss or damage.

If the lost or damaged property is not repaired or replaced, the Pool will pay on an actual cash value basis.

2. Any property that the Pool pays for or replaces becomes the Pool's property.

r. Non-Cumulation Of Limit Of Coverage

Regardless of the number of years this coverage remains in force or the number of premiums paid, no Limit of Coverage cumulates from year to year or policy period to policy period.

2. Conditions Applicable To Coverage Agreements A.1. And A.2.

a. Indemnification

The Pool will indemnify any of the "Named Member's" officials who are required by law to give bonds for the faithful performance of their duties against loss through "theft" committed by "employees" who serve under them, subject to the applicable Limit of Coverage.

b. Termination As To Any Employee

This coverage terminates as to any "employee":

1. As soon as:

- a) The "Named Member"; or
- b) Any of the "Named Member's" officials or employees authorized to manage, govern or control the "Named Member's" "employees" who is not in collusion with the "employee";

learn of "theft" or any other dishonest act committed by the "employee" whether before or after becoming employed by the "Named Member".



2. On the date specified in a notice mailed to the first "Named Member". That date will be at least 30 days after the date of mailing.

The Pool will mail or deliver the Pool's notice to the first "Named Member's" last mailing address known to the Pool. If notice is mailed, proof of mailing will be sufficient proof of notice.

- c. Territory

The Pool will pay for loss caused by any "employee" while temporarily outside the territory specified in the Territory Condition E.1.o. for a period of not more than 90 days.

3. Conditions Applicable To Coverage Agreement A.3.

- a. Deductible

The Deductible Amount does not apply to legal expenses paid under Coverage Agreement A.3.

- b. Electronic and Mechanical Signatures

The Pool will treat signatures that are produced or reproduced electronically, mechanically or by other means the same as handwritten signatures.

- c. Proof Of Loss

The "Named Member" must include with its proof of loss any instrument involved in that loss, or, if that is not possible, an affidavit setting forth the amount and cause of loss.

- d. Territory

The Pool will cover loss the "Named Member" sustains resulting directly from an "occurrence" taking place anywhere in the world. The Territory Condition E.1.o. does not apply to Coverage Agreement A.3.

4. Conditions Applicable To Coverage Agreements A.5. And A.6.

- a. Armored Motor Vehicle Companies

Under Coverage Agreement A.6., the Pool will only pay for the amount of loss the "Named Member" cannot recover:

1. Under the "Named Member's" contract with the armored motor vehicle company; and
2. From any insurance or indemnity carried by, or for the benefit of customers of, the armored motor vehicle company.

- b. Special Limit Of Coverage For Specified Property

The Pool will only pay up to \$5,000 for any one "occurrence" of loss of or damage to manuscripts, drawings, or records of any kind or the cost of reconstructing them or reproducing any information contained in them.

5. Conditions Applicable To Coverage Agreement A.7.

- a. Special Limit Of Coverage For Specified Property

The Pool will only pay up to \$5,000 for any one "occurrence" of loss of or damage to manuscripts, drawings, or records of any kind, or the cost of reconstructing them or reproducing any information contained in them.



b. Territory

The Pool will cover loss the "Named Member" sustains resulting directly from an "occurrence" taking place anywhere in the world. The Territory Condition E.1.o. does not apply to Coverage Agreement A.7.

F. DEFINITIONS

1. "Banking premises" means the interior of that portion of any building occupied by a banking institution or similar safe depository.
2. "Counterfeit money" means an imitation of "money" that is intended to deceive and to be taken as genuine.
3. "Custodian" means the "Named Member" or any "employee" while having care and custody of property inside the "premises", excluding any person while acting as a "watchperson" or janitor.
4. "Discovers" or "discovered" means the time when the "Named Member" first become aware of facts which would cause a reasonable person to assume that a loss of a type covered by this coverage has been or will be incurred, regardless of when the act or acts causing or contributing to such loss occurred, even though the exact amount or details of loss may not then be known.

"Discovers" or "discovered" also means the time when the "Named Member" first receives notice of an actual or potential claim in which it is alleged that the "Named Member" is liable to a third party under circumstances which, if true, would constitute a loss under this coverage.

5. "Employee" means:

a. Any natural person:

1. While in the "Named Member's" service and for the first 30 days immediately after termination of service, unless such termination is due to "theft" or any other dishonest act committed by the "employee";
2. Who the "Named Member" compensates directly by salary, wages or commissions; and
3. Who the "Named Member" has the right to direct and control while performing services for the "Named Member";

b. Any natural person who is furnished temporarily to the "Named Member":

1. To substitute for a permanent "employee" as defined in Paragraph (1) above, who is on leave; or
2. To meet seasonal or short-term work load conditions;

while that person is subject to the "Named Member's" direction and control and performing services for the "Named Member", excluding, however, any such person while having care and custody of property outside the "premises";

3. Any natural person who is leased to the "Named Member" under a written agreement between the "Named Member" and a labor leasing firm, to perform duties related to the conduct of the "Named Member's" business, but does not mean temporary employee as defined by Paragraph a.(2);
4. Any natural person who is:
 - a) A trustee, officer, employee, administrator or manager, except an administrator or manager who is an independent contractor, of any employee benefit plan(s); and
 - b) the "Named Member's" official while that person is handling "funds" or "other property" of any employee benefit plan(s).



5. Any natural person who is a former official, "employee" or trustee retained as a consultant while performing services for the "Named Member"; or
6. Any natural person who is a guest student or intern pursuing studies or duties, excluding, however, any such person while having care and custody of property outside the "premises".
- c. "Employee" does not mean any agent, independent contractor or representative of the same general character not specified in Paragraph 5.a.
6. "Forgery" means the signing of the name of another person or organization with intent to deceive; it does not mean a signature which consists in whole or in part of one's own name signed with or without authority, in any capacity, for any purpose.
7. "Fraudulent instruction" means an order or request directing a financial institution to transfer "funds" from the "Named Member's" "transfer account", and the order or request purports to have been issued by the "Named Member", but actually was issued by someone else without the "Named Member's" consent.
8. "Funds" means "money" and "securities".
9. "Messenger" means the "Named Member" or any "employee" while having care and custody of property outside the "premises".
10. "Money" means:
 - a. Currency, coins and bank notes in current use and having a face value; and
 - b. Travelers checks, register checks and money orders held for sale to the public.
11. "Occurrence" means:
 - a. As respects Coverage Agreement A.1., all loss caused by, or involving, one or more "employees", whether the result of a single act or series of acts.
 - b. As respects Coverage Agreement A.2., all loss caused by each "employee", whether the result of a single act or series of acts.
 - c. As respects Coverage Agreement A.3., all loss caused by any person or in which that person is involved, whether the loss involves one or more instruments.
 - d. As respects all other Coverage Agreements:
 1. An act or series of related acts involving one or more persons; or
 2. An act or event, or a series of related acts or events not involving any person.
12. "Other property" means any tangible property that has intrinsic value but does not include any property excluded under this Coverage. "Money" and "securities" are not "other property".
13. "Premises" means the interior of that portion of any building the "Named Member" occupies in conducting its business.
14. "Rating Period" means the Rating Period shown in the Declarations.
15. "Robbery" means the unlawful taking of property from the care and custody of a person by one who has:
 - a. Caused or threatened to cause that person bodily harm; or
 - b. Committed an obviously unlawful act witnessed by that person.
16. "Safe burglary" means the unlawful taking of:
 - a. Property from within a locked safe or vault by a person unlawfully entering the safe or vault as evidenced by marks of forcible entry upon its exterior; or
 - b. A safe or vault from inside the "premises".



17. "Securities" means negotiable and nonnegotiable instruments or contracts representing either "money" or property and includes:
 - a. Tokens, tickets, revenue and other stamps (whether represented by actual stamps or unused value in a meter) in current use; and
 - b. Evidences of debt issued in connection with credit or charge cards, which cards are not issued by the "Named Member"; but does not include "money".
18. "Theft" means the unlawful taking of "money", "securities" or "other property" to the deprivation of the "member".
19. "Transfer account" means an account maintained by the "Named Member" at a financial institution from which the "Named Member" can initiate the payment of "funds".
20. "Watchperson" means any person the "Named Member" retains specifically to have care and custody of property inside the "premises" and who has no other duties.